

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:

National Federation Of Retail Newsagents

Year ended:

31st December 2024

List No:

67E

Head or Main Office:

Bede House

Belmont Business Park

Durham

Postcode

DH1 1TW

Website address (if available)

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

Yes

No

X

('X' in appropriate box)

General Secretary:

Shahid Razzaq

Contact name for queries regarding the completion of this return:

Joanne Elliott

Telephone Number:

0207 017 8880

E-mail:

Finance@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: 0330 1093602

You should send the annual return to the following address stating the name of the union in subject:

returns@certoffice.org

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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
8,037	421	176	21	8,655

Change of Officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Secretary	Shahid Razzaq	Shahid Razzaq	17 June 2024
National President	Muntazir Dipoti	Shahid Razzaq	17 June 2024
National Vice President	Shahid Razzaq	Hetal Patel	17 June 2024
National Deputy Vice President	Hetal Patel	Hemanshu Patel	17 June 2024
Immediate Past President	Jason Birks	Muntazir Dipoti	17 June 2024

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Shahid Razzaq	National President
Hetal Patel	National Vice President
Hemanshu Patel	National Deputy Vice President
Muntazir Dipoti	Immediate Past President
Hussan Lal	National Counciller
Eric McGill	National Counciller
Colin Reed	National Counciller
Jason Birks	National Counciller
Andrew Taylor	National Counciller
James Wilkinson	National Counciller
Suresh Patel	National Counciller
Sunilkumar Patel	National Counciller
Ketan Lakhani	National Counciller
Sunder Sandher	National Counciller
Gurbax Kaur	National Counciller
Andrew White	National Counciller
Devendra Patel	National Counciller
Alpesh Patel	National Counciller
Anant Patel	National Counciller
Jeet Chopra	National Counciller
Pratap Joshi	National Counciller
Judith Mercer	National Counciller
Martin Mulligan	National Counciller
Vince Malone	National Counciller & National Finance Committee Member
Craig Etchells	National Counciller & National Finance Committee Member
Mike Mitchelson	Trustee & National Finance Committee Member
Nilesh Patel	Trustee & National Finance Committee Member
Surjit Khunkhun	Trustee & Chair of National Finance Committee

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
2,571,875	From Members	Subscriptions, levies, etc	2,463,940	2,463,940
150	Investment income	Interest and dividends (gross)		
		Bank interest (gross)	11,333	11,333
		Other (specify)		
		Total Investment Income	11,333	11,333
580,190	Other Income	Rents received	523,573	523,573
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
974,093		Business Development and Sponsorship	1,063,807	1,063,807
35,000		Management Fees	50,000	50,000
-76,758		Less Direct Costs	-73,924	-73,924
		Total of other income		1,563,456
4,084,550		Total income		4,038,729
		Interfund Transfers IN		
	Expenditure			
	Administrative expenses	Remuneration and expenses of staff		
		Occupancy costs		
		Printing, Stationery, Post		
		Telephones		
		Legal and Professional fees		
		Miscellaneous (specify)		
204,768		Council & Committee	243,188	243,188
41,564		Presidents & Trustees	51,750	51,750
79,201		District & Branch	83,242	83,242
984,417		Member's Services	847,848	847,848
1,008,371		Operational	926,913	926,913
2,318,321		Total of Admin expenses		2,152,941
17,532	Other Charges	Bank charges	12,995	12,995
69,420		Depreciation	56,204	56,204
		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
1,370,938		Finance, Head Office & Communications	1,218,613	1,218,613
307,676		Pension Deficit Reduction Costs	55,766	55,766
-13,897		Profit on sale of Fixed Assets		
813,200		Fair Value Adjustment Investment Property	500,000	500,000
2,564,869		Total of other charges		1,843,578
-104,926		Taxation	5,893	5,893
4,778,264		Total expenditure		4,002,412
		Interfund Transfers OUT		
-693,714		Surplus/Deficit for year		36,317
1,502,316		Amount of fund at beginning of year		808,602
808,602		Amount of fund at end of year		844,919

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:	Benefits Fund	£	£
Income			
	From members		
	Investment income	71,443	71,443
	Other Income (specify)		
	Rental Income	854	
	Interest Receivable	63,720	
		64,574	64,574
	Total Income		136,017
	Interfund Transfers IN		
Expenditure			
	Administrative expenses	1,430	1,430
	Other expenditure (specify)		
	Claims Paid	59,500	
	Depreciation	3,189	
	Surplus on sale of Investments	-11,005	
	Fair Value Adjustments	-58,005	
	Taxation		
		-6,321	-6,321
	Total Expenditure		-4,891
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		140,908
	Amount of fund at beginning of year		3,860,374
	Amount of fund at the end of year (as Balance Sheet)		4,001,282

Account 3		Fund Account	
Name of account:	Ratcliffe Benefits Fund	£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
	Donations	845	
	Bank Interest	2,082	
		2,927	2,927
	Total Income		2,927
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
	Grants	3,200	
	Bank Charges	122	
		3,322	3,322
	Total Expenditure		3,322
	Interfund Transfers OUT		
	Surplus (Deficit) for the year		-395
	Amount of fund at beginning of year		267,921
	Amount of fund at the end of year (as Balance Sheet)		267,526

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:	Carl Bridgewater	£	£
Income			
	From members		
	Investment income		
	Other income (specify)		
	Donations		
	Intercompany/ Bank Interest	4,800	
		4,800	4,800
		Total Income	4,800
	Interfund Transfers IN		
Expenditure			
	Administrative expenses		
	Other expenditure (specify)		
	Gifts and Donations	450	
	Sundry Expenses	120	
		570	570
		Total Expenditure	570
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	4,230
		Amount of fund at beginning of year	175,180
		Amount of fund at the end of year (as Balance Sheet)	179,410

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

(see notes 17 to 18)

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

Balance Sheet as at [31 December 2024]

(see notes 19 and 20)

Previous Year		£	£
9,914,502	Fixed Assets (as at Page 8)	9,414,949	9,414,949
	Investments (as per analysis on page 9)		
97,035	Quoted (Market value £) as at Page 9		111,046
150,003	Unquoted (Market value £) as at Page 9		150,003
247,038	Total Investments	261,049	261,049
	Other Assets		
2,998,736	Sundry debtors	2,951,551	2,951,551
1,301,925	Cash at bank and in hand	1,618,919	1,618,919
	Stocks of goods		
	Others (specify)		
254,045	Customer Receivables	136,223	
572,161	Prepayments and Accrued Income	465,850	
5,126,867	Total of other assets	5,172,543	5,172,543
	Total Assets		14,848,541
808,602	Revenue Account/ General Fund	844,919	
3,860,374	Benefits Fund	4,001,282	
267,921	Ratcliffe Benefits Fund	267,526	
175,180	Carl Bridgewater	179,410	
5,644,096	Revaluation Reserve	5,644,096	
100,000	Strategic Reserve	100,000	
	Liabilities		
136,345	Corporation Tax	130,190	
144,880	PAYE/NI & VAT	179,099	
1,430,196	Other Creditors	1,072,141	
443,596	Accruals and Deferred Income	361,692	
65,779	Hire Purchase Liabilities	18,333	
1,956,260	Provisions - Deferred Tax	1,831,260	
255,176	Provisions - Pension Scheme Deficit	218,593	
4,432,232	Total Liabilities		3,811,308
15,288,407	Total Assets		14,848,541

Fixed Assets account

(see note 21)

	Land and Buildings £	Fixtures & Fittings £	Motor Vehicles & Equipment £	Total £
Cost or Valuation				
At start of period	9,707,651	95,263	111,588	9,914,502
Additions during period		4,839		4,839
Less: Disposals				
Less: Depreciation	-445,000	-4,650	-54,742	-504,392
Total to end of period	9,262,651	95,452	56,846	9,414,949
Book Amount at end of period	9,262,651	95,452	56,846	9,414,949
Freehold	9,240,000			9,240,000
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)	22,651			22,651
Total of Fixed Assets	9,262,651	95,452	56,846	9,414,949

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	UK Fixed Interest	10,312
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Equities	80,456
	Emerging Economies	5,663
	Commercial Property	
	International Property	4,853
	Alternative Assets	9,404
	Cash	358
	Total Quoted (as Balance Sheet)	111,046
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	NFRN Holdings Ltd	3
	Newtrade Media Limited	150,000
	Total Unquoted (as Balance Sheet)	150,003
	Market Value of Unquoted Investments	

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

Analysis of investment income (Controlling interests)

(see note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes

X

No

If Yes name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

NFRN Holdings Limited

04588787

Newtrade Media Limited *

00454555

Newtrade Publishing Limited *

09338494

Bede House Limited *

13961957

* Indirect Holdings - see below

Incorporated Employers' Associations

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

Unincorporated Employers' Associations

Are the shares which are controlled by the association registered in the names of the association's trustees?

Yes

No

X

If NO, state the names of the persons in whom the shares controlled by the association are registered.

Company name

Names of shareholders

Newtrade Media Limited

NFRN Holdings Limited

Newtrade Publishing Limited

NFRN Holdings Limited

Bede House Limited

NFRN Holdings Limited

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
From Members		2,463,940	2,463,940
From Investments		82,776	82,776
Other Income (including increases by revaluation of assets)		1,635,757	1,635,757
	Total Income	4,182,473	4,182,473
Expenditure (including decreases by revaluation of assets)			
	Total Expenditure	4,001,413	4,001,413
Funds at beginning of year (including reserves)		10,856,173	10,856,173
Funds at end of year (including reserves)		11,037,233	11,037,233
ASSETS			
	Fixed Assets		9,414,949
	Investment Assets		261,049
	Other Assets		5,172,543
	Total Assets		14,848,541
Liabilities			
	Total Liabilities		3,811,308
Net Assets (Total Assets less Total Liabilities)			11,037,233

Notes to the accounts

(see note 34)

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

See audited accounts attached

Accounting policies

(see notes 35 & 36)

See audited accounts attached

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:		Name:	
Date:		Date:	

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes		No	
Has the list of officers been completed? (see Page 2A)	Yes		No	
Has the return been signed? (see Note 37)	Yes		No	
Has the auditor's report been completed? (see Note 41)	Yes		No	
Is the rule book enclosed? (see Note 39)	Yes		No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes		No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

See audited accounts attached

Signature(s) of auditor or auditors:

John Leyden

Name(s):

John Leyden FCA

Profession(s) or Calling(s):

Chartered Accountant

Address(es)

Carbon Accountancy Limited, 80-83 Long Lane, London EC1A 9ET

Date:

25.07.25

Contact name for enquiries and telephone number:

John Leyden 0207 710 5302

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

Trustees' Report & Financial Statements National Federation of Retail Newsagents

For the Year ended 31 December 2024

Legal and Administrative Information

Trustees

S Khunkhun
N Patel
M Mitchelson

Registered office

Bede House
Belmont Business Park
Durham
DH1 1TW

Auditors

Carbon Accountancy Limited
Chartered Accountants & Registered Auditors
80-83 Long Lane
London
EC1A 9ET

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Trustees' report

For the Year ended 31 December 2024

The Trustees present their report and financial statements of the National Federation of Retail Newsagents for the year ended 31 December 2024.

Results

The surplus/(deficit) of income over expenditure for each of the Federation's Funds for the year after taxation and before transfers to/from reserves, were as follows:

		Before exceptional items (net of current tax) £	Exceptional items (net of deferred tax) £	2024 £	2023 £
General Fund	(Page 10)	411,317	(375,000)	36,317	(693,713)
Benefits Fund	(Page 12)	85,908	-	85,908	(18,793)
Ratcliffe Benevolent Fund	(Page 14)	(395)	-	(395)	8,517
Carl Bridgewater Fund	(Page 16)	4,230	-	4,230	4,352
		501,060	(375,000)	126,060	(699,637)

The exceptional item relates to the fair value deficit net of deferred tax arising on London investment property Yeoman House during the period.

The membership of the Federation on 31 December was made up as follows:

	2024 No.	2023 No.
Full members	6,307	7,134
Full partner members	111	121
Multiple secondary members	1,738	1,601
Partner members	175	219
Life members	283	284
Affiliate member	41	51
	8,655	9,410

Review of activities

The principal activity of the Federation is to provide various services to its members in accordance with the objectives set out in its rules.

The Trustees acknowledge the strong headwinds that the organisation faces with regard to declining membership with a year-on-year reduction adversely impacting core income, but this must be considered against a background of an ever-shrinking marketplace of independent retailers. Nonetheless, we are attracting new members with rates of approximately 400-500 each year over the past two years which is testament to the value of benefits offered to members.

We achieved an operating surplus of £631,953 in the financial period compared with a surplus of £70,195 in 2023 (£325,371 before exceptional pension deficit funding contributions of £255,176) which is also testament to the continuing focus on improvements in operational efficiency which will ensure our long-term financial future.

Trustees' report (Continued)

For the Year ended 31 December 2024

Trustees

The Trustees of the Federation during the year were:

S Patel (resigned 24th June 2024)

N Patel

S Khunkhun

M Mitchelson (appointed 24th June 2024)

None of the Trustees have any beneficial interest in the Federation.

Fixed assets

Movement in fixed assets is detailed in note 6 to the financial statements.

Post balance sheet events

There have been no significant events affecting the National Federation of Retail Newsagents since the year end.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the Federation's auditor is unaware, and
- The Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any relevant audit information and to establish that the Federation's auditor is aware of that information.

These accounts were approved and authorised for issue by the Board of Trustees on 16th May 2025 and signed on its behalf by:



S Khunkhun
Trustee



N Patel
Trustee



M Mitchelson
Trustee

Trustees' Responsibilities Statement

For the Year ended 31 December 2024

The Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999 requires the Trustees of the Federation to:

- keep proper records which give a true and fair view of the state of affairs of the Federation and explain its transactions;
- establish and maintain a satisfactory system of control of the accounting records, cash holdings and all receipts and remittances;
- prepare an annual return for the Certification Officer giving a true and fair view of the Income and Expenditure and Balance Sheet;
- and provide members of the Federation with the Income and Expenditure for the year.

The Trustees confirm that:

- so far as each Trustee is aware, there is no audit information of which the Federation's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The maintenance and integrity of the National Federation of Retail Newsagents website is the responsibility of the Federation. The work carried out by the auditors does not involve the consideration of these matters, and accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

Carbon Accountancy Limited have expressed the willingness to continue in office.



S Khunkhun
Trustee



N Patel
Trustee



M Mitchelson
Trustee

Independent Auditors' Report to the Trustees of the National Federation of Retail Newsagents

For the Year ended 31 December 2024

Opinion

We have audited the financial statements of National Federation of Retail Newsagents (the 'Federation') for the year ended 31 December 2024 which comprise: The Combined Income and Expenditure Account, Balance Sheet and Cash Flow, The General Fund Income and Expenditure Account and Balance Sheet; 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 notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 31 December 2024 and of its incoming resources and expenditure for the year 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.

Basis for opinion

We have been appointed as auditor under section 33 of the Trade Union and Labour Relations (Consolidation) Act 1992 and report in accordance with regulations made under section 33 of that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 1 to 3 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in

Independent Auditors' Report to the Trustees of the National Federation of Retail Newsagents (continued)

Other information (cont/d)

doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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:

- the federation has not kept proper accounting records in accordance with the requirements of section 28 of the Trade Union and Labour Relations (Consolidation) Act 1992; or has not maintained a satisfactory system of control over its transactions and in accordance with the requirements of section 28;
- the financial statements do not agree with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of an audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the federation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud was as follows:

Independent Auditors' Report to the Trustees of the National Federation of Retail Newsagents (continued)

The extent to which our procedures are capable of detecting irregularities, including fraud (cont/d)

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the entity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector in which the entity operates;
- We focused on specific laws and regulations which we considered may have a direct impact material effect on the financial statements, or the operations of the entity which included the Trade Union and Labour Relations (Consolidation) Act 1992, taxation legislation, data protection, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to involve the completeness and timing of income recognition and the override of controls by management.

To address the risk of fraud in relation to revenue recognition, we:

- Performed detailed substantive testing to address completeness and accuracy of income;
- Assessed the appropriateness and application of the accounting policy concerning income recognition; and
- Performed detailed cut-off testing either side of the balance sheet date.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditors' Report to the Trustees of the National Federation of Retail Newsagents (continued)

Use of our report

This report is made solely to the federation's trustees, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the federation's trustees 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 federation and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



John Leyden FCA

Senior Statutory Auditor

Carbon Accountancy Limited
Chartered Accountants & Registered Auditor
80-83 Long Lane
London EC1A 9ET

Date: 16th May 2025

Combined Income and Expenditure Account

For the Year ended 31 December 2024

Income	Note	2024	2023
		£	£
Capitation fees		2,463,940	2,571,875
Less: Cost of collection		<u>(73,924)</u>	<u>(76,758)</u>
		2,390,016	2,495,117
Rental income		524,427	589,711
Business development and sponsorship		1,063,807	974,093
Interest received		81,935	73,427
Management fees		50,000	35,000
Dividends received		70,000	70,000
Income from investments		1,443	1,569
Donations		<u>845</u>	<u>6,142</u>
Total income		<u>4,182,473</u>	<u>4,245,059</u>
Expenditure			
Council and committee costs		243,188	204,768
President's and trustees' expenses		51,750	41,564
District and branch costs		83,242	79,201
Members' services and benefits		847,848	984,417
Operational costs		926,913	1,010,175
Finance, head office and communications costs		1,220,285	1,370,938
Defined benefit pension deficit reduction costs		55,766	307,676
Claims paid: Death of member and serious illness		59,500	82,500
Gifts and donations		3,650	1,450
Interest payable		12,995	17,532
Depreciation of fixed assets		59,393	72,609
Loss/(profit) on disposal of investments		(11,005)	228
Fair value deficit/(surplus) on revaluation of investments		(3,005)	(7,028)
Loss/(profit) on disposal of fixed assets		<u>-</u>	<u>8,794</u>
Total expenditure		<u>3,550,520</u>	<u>4,174,864</u>
Surplus before exceptional items		631,953	70,195
Exceptional items:			
Fair value (deficit)/surplus on revaluation of properties		<u>(500,000)</u>	<u>(848,200)</u>
Surplus/(deficit) before tax and reserve transfers	4	131,953	(778,005)
Taxation	5	<u>(5,893)</u>	<u>78,368</u>
Surplus/(deficit) after taxation and before transfers		126,060	(699,637)
Net transfers from other reserves	14(b)	<u>-</u>	<u>31,678</u>
Surplus/(deficit) after taxation and reserve transfers		<u>126,060</u>	<u>(667,959)</u>

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations.

No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure account.

Combined Balance Sheet

As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	6 (a)	414,949	414,502
Investment property	6 (d)	9,000,000	9,500,000
Listed investments	7	111,046	97,036
Trade investments	8 (a)	<u>150,003</u>	<u>150,003</u>
		9,675,998	10,161,541
Current assets			
Debtors	9	3,533,624	3,824,941
Cash at bank	10	<u>1,618,919</u>	<u>1,301,925</u>
		5,172,543	5,126,866
Current liabilities			
Creditors: amounts falling due within one year	11	<u>(1,761,455)</u>	<u>(2,203,133)</u>
Net current assets		3,411,088	2,923,733
Creditors: amounts falling due after more than one year	12	-	(17,665)
Provisions for liabilities and charges			
Deferred tax	13(a)	(1,831,260)	(1,956,260)
Pension scheme deficit reduction provision	13(b)	<u>(218,593)</u>	<u>(255,176)</u>
		<u>(2,049,853)</u>	<u>(2,211,436)</u>
Net assets		<u>11,037,233</u>	<u>10,856,173</u>
Represented by:			
Property revaluation reserve	14(a)	5,644,096	5,644,096
Capital account	14(b)	5,293,137	5,112,077
Strategic reserve	14(c)	<u>100,000</u>	<u>100,000</u>
		<u>11,037,233</u>	<u>10,856,173</u>

Included in debtors is £2,499,000 (2023 - £2,349,000) which represents an amount falling due after one year.

These accounts were approved and authorised for issue by the Trustees on and signed on 16th May 2025 and signed their behalf by:



S Khunkhun
Trustee



N Patel
Trustee



M Mitchelson
Trustee

The notes on pages 19 to 34 form part of these financial statements.

General Fund

Income and Expenditure Account

For the Year ended 31 December 2024

	Note	2024 £	2023 £
Income			
Capitation fees		2,463,940	2,571,875
Less: Cost of collection		<u>(73,924)</u>	<u>(76,758)</u>
		2,390,016	2,495,117
Rental income		523,573	580,190
Interest receivable		11,333	150
Business development and sponsorship		1,063,807	974,093
Management fees		<u>50,000</u>	<u>35,000</u>
Total income		<u>4,038,729</u>	<u>4,084,550</u>
Expenditure			
Council and committee expenses		243,188	204,768
President's and trustees' expenses		51,750	41,564
District and branch costs		83,242	79,201
Members' services and benefits		847,848	984,417
Operational costs		926,913	1,008,371
Finance, head office and communications costs		1,218,613	1,370,938
Defined benefit pension deficit reduction costs		55,766	307,676
Depreciation of fixed assets		56,204	69,420
Interest payable		12,995	17,532
(Profit) /loss on sale of assets		-	(13,897)
Total expenditure		<u>3,496,519</u>	<u>4,069,989</u>
Surplus/(deficit) before fair value adjustments and taxation		542,210	14,561
Fair value adjustment on investment property	6(d)	<u>(500,000)</u>	<u>(813,200)</u>
Surplus/(deficit) before taxation, reserve transfers		42,210	(98,639)
Taxation	5	<u>(5,893)</u>	<u>104,926</u>
Surplus/(deficit) after taxation and before reserve transfers	14(b)	36,317	(693,713)
Net transfers (to)/from Reserves		<u>-</u>	<u>-</u>
Surplus/(deficit) after taxation and reserve transfers		<u>36,317</u>	<u>(693,713)</u>

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations.

The NFRN General Fund have paid an annuity of approximately £17 (2023 - £17) per member which has been commuted to provide a policy which provides legal help and assistance to members in times of need.

No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure account.

The notes on pages 19 to 34 form part of these financial statements.

Page 10

General Fund

Balance sheet

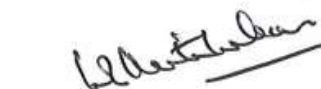
As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	6 (b)	174,768	226,132
Investment property	6 (d)	<u>9,000,000</u>	<u>9,500,000</u>
		<u>9,174,768</u>	<u>9,726,132</u>
Current assets			
Debtors	9	879,523	1,218,603
Cash at bank	10	<u>1,444,523</u>	<u>1,260,015</u>
		2,324,046	2,478,618
Current liabilities			
Creditors: amounts falling due within one year	11	<u>(2,859,946)</u>	<u>(3,422,951)</u>
Net current (liabilities)/assets		<u>(535,900)</u>	<u>(944,333)</u>
Creditors: amounts falling due after more than one year	12	-	(17,665)
Provisions for liabilities and charges			
Deferred tax	13(a)	(1,831,260)	(1,956,260)
Pension scheme deficit provision	13(b)	<u>(218,593)</u>	<u>(255,176)</u>
		<u>(2,049,853)</u>	<u>(2,211,436)</u>
Net assets		<u>6,589,015</u>	<u>6,552,698</u>
Represented by:			
Investment reserve	14(a)	5,644,096	5,644,096
Capital account	14(b)	844,919	808,602
Strategic reserve	14(c)	<u>100,000</u>	<u>100,000</u>
		<u>6,589,015</u>	<u>6,552,698</u>

These accounts were approved and authorised for issue by the Trustees on 16th May 2025 and signed on their behalf by:


S Khunkhun
Trustee


N Patel
Trustee


M Mitchelson
Trustee

The notes on pages 19 to 34 form part of these financial statements.

Benefits Fund

Income and Expenditure Account

For the Year ended 31 December 2024

	Notes	2024 £	2023 £
Income			
Dividends received – NFRN Holdings Limited		70,000	70,000
Rental income		854	9,521
Income from listed investments		1,443	1,569
Interest receivable		<u>63,720</u>	<u>65,060</u>
		136,017	146,150
Expenditure			
Claims paid: Death and serious illness		59,500	82,500
Depreciation of fixed assets		3,189	3,189
Legal, professional and administration		<u>1,430</u>	<u>1,805</u>
		64,119	87,494
Surplus/(deficit) on disposal of listed investments		11,005	(228)
(Deficit) on disposal of property		-	(22,691)
Fair value movement on revaluation of property		-	(35,000)
Fair value movement on revaluation of investments		<u>3,005</u>	<u>7,028</u>
		14,010	(50,891)
Surplus/(deficit) for the year		85,908	7,765
Taxation	5	<u>-</u>	<u>(26,558)</u>
Surplus/(deficit) transferred to Reserves	14(b)	<u>85,908</u>	<u>(18,793)</u>

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations. There are no gains or losses other than those recognised above.

Tax status: No tax is payable as s981 of the Corporation Tax Act 2010 specifically exempts employers' associations from tax on income (except trading income) and chargeable gains, which are applicable and applied for the purpose of provident benefits.

The notes on pages 19 to 34 form part of these financial statements.

Benefits Fund

Balance Sheet

As at 31 December 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	6 (c)	240,181	188,370
Listed investments	7 (a)	111,046	97,036
Trade investments	8 (b)	<u>150,003</u>	<u>150,003</u>
		<u>501,230</u>	<u>435,409</u>
Current assets			
Debtors	9	3,393,533	3,415,355
Cash at bank	10	<u>106,531</u>	<u>9,610</u>
		<u>3,500,064</u>	<u>3,424,965</u>
Current liabilities			
Creditors: amounts falling due within one year	11	(12)	-
Net current assets/(liabilities)		<u>3,500,052</u>	<u>3,424,965</u>
Net assets		<u>4,001,282</u>	<u>3,860,374</u>
Represented by:			
Property revaluation reserve	14(a)	-	-
Capital account	14(b)	<u>4,001,282</u>	<u>3,860,374</u>
		<u>4,001,282</u>	<u>3,860,374</u>

Included in debtors is £2,274,000 (2023 - £2,124,000) which represents an amount falling due after one year.

These accounts were approved and authorised for issue by the Trustees on 16th May 2025 and signed on their behalf by:


S Khunkhun
Trustee


N Patel
Trustee


M Mitchelson
Trustee

The notes on pages 19 to 34 form part of these financial statements.

Ratcliffe Benevolent Fund Income and Expenditure Account For the Year ended 31 December 2024

	Notes	2024 £	2023 £
Income			
Donations		845	6,140
Bank and other interest		<u>2,082</u>	<u>3,417</u>
		<u>2,927</u>	<u>9,557</u>
Expenditure			
Grants		3,200	1,000
Legal, professional and administration		<u>122</u>	<u>40</u>
		<u>3,322</u>	<u>1,040</u>
(Deficit)/surplus before taxation		(395)	8,517
Taxation		<u>-</u>	<u>-</u>
Surplus/(deficit) for year		(395)	8,517
Capital account balance brought forward	14(b)	<u>267,921</u>	<u>259,404</u>
Capital account balance carried forward	14(b)	<u>267,526</u>	<u>267,921</u>

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations. There are no gains or losses other than those recognised above.

The notes on pages 19 to 34 form part of these financial statements.

Ratcliffe Benevolent Fund

Balance Sheet

As at 31 December 2024

	Notes	2024 £	2023 £
Current assets			
Debtors	9	208,357	245,255
Cash at bank	10	<u>59,419</u>	<u>23,404</u>
		267,776	268,659
Current liabilities			
Creditors: amounts falling due within one year	11	<u>(250)</u>	<u>(738)</u>
Net assets		<u>267,526</u>	<u>267,921</u>
Represented by:			
Capital account	14(b)	<u>267,526</u>	<u>267,921</u>

Included in debtors is £65,000 (2023 - £65,000) which represents an amount falling due after one year.

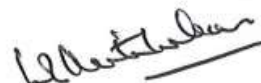
These accounts were approved and authorised for issue by the Trustees on 16th May 2025 and signed on their behalf by:



S Khunkhun
Trustee



N Patel
Trustee



M Mitchelson
Trustee

The notes on pages 19 to 34 form part of these financial statements.

Carl Bridgewater Fund Income and Expenditure Account For the Year ended 31 December 2024

	Notes	2024 £	2023 £
Income			
Donations		-	2
Intercompany/bank interest		<u>4,800</u>	<u>4,800</u>
		<u>4,800</u>	<u>4,802</u>
Expenditure			
Gifts and donations		450	450
Sundry expenses		<u>120</u>	<u>-</u>
		<u>570</u>	<u>450</u>
Surplus/(deficit) before taxation		4,230	4,352
Taxation		<u>-</u>	<u>-</u>
Surplus/(deficit) for the year		4,230	4,352
Capital account balance brought forward	14(b)	<u>175,180</u>	<u>170,828</u>
Capital account balance carried forward	14 (b)	<u>179,410</u>	<u>175,180</u>

The Income and Expenditure account has been prepared on the basis that all operations are continuing operations.

There are no gains or losses other than those recognised above.

The notes on pages 19 to 34 form part of these financial statements.

Carl Bridgewater Fund
Balance Sheet
As at 31 December 2024

	Note	2024 £	2023 £
Current assets			
Debtors	9	171,272	166,472
Cash at bank	10	<u>8,446</u>	<u>8,896</u>
		179,718	175,368
Current liabilities			
Creditors: amounts falling due within one year	11	<u>(308)</u>	<u>(188)</u>
Net assets		<u>179,410</u>	<u>175,180</u>
Represented by:			
Capital account	14(b)	<u>179,410</u>	<u>175,180</u>

Included in debtors is £160,000 (2023 - £160,000) which represents an amount falling due after one year.

These accounts were approved and authorised for issue by the Trustees on 16th May 2025 and signed on their behalf by:


S Khunkhun
Trustee


N Patel
Trustee


M Mitchelson
Trustee

The notes on pages 19 to 34 form part of these financial statements.

Combined Statement of Cash Flows

For the Year ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Surplus/(deficit) for the financial year		126,060	(699,637)
Adjustments for:			
Depreciation of tangible assets	6(a)	59,393	72,610
(Profit) on disposal of investments and other assets		(11,005)	(9,022)
Fair value movements		496,995	841,172
Decrease/(increase) in debtors		138,165	(172,228)
(Decrease)/increase in creditors		(272,590)	504,318
Interest received		(81,935)	(73,427)
Taxation paid		(137,048)	(83,235)
Dividends received		(70,000)	(70,000)
Corporation tax	5	(5,893)	124,932
Net cash generated from operating activities		242,142	435,483
Cash flows from investing activities			
Purchase of tangible fixed assets	6(a)(b)	(4,839)	(22,996)
Sale of tangible fixed assets		-	185,879
Purchase of listed investments	7	(31,591)	(10,764)
Sale of listed investments		19,787	10,286
Interest received		81,935	73,427
Dividends received		70,000	70,000
Net cash from investing activities		135,292	305,832
Cashflow from financing activities			
Interest paid		(12,995)	(17,532)
Repayment of finance leases		(47,445)	(44,659)
Net cash used in financing activities		(60,440)	(62,191)
Net increase/(decrease) in cash and cash equivalents		316,994	679,124
Cash and cash equivalents at beginning of year	10	1,301,925	622,801
Cash and cash equivalents at the end of the year	10	1,618,919	1,301,925

The notes on pages 19 to 34 form part of these financial statements.

Notes to the financial statements

For the Year ended 31 December 2024

1. General information

The National Federation of Retail Newsagents is an unincorporated Federation. The registered office is Bede House, Belmont Business Park, Durham, DH1 1TW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Trade Union and Labour Relations (Consolidation) Act 1992.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Federation's accounting policies.

The financial statements are prepared in pound sterling which is the functional currency of the Federation and are rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Basis of combination

The combined financial statements present the results of the Federation comprising the General Fund, the Benefits Fund, the Ratcliffe Benevolent Fund and the Carl Bridgewater Fund. Interfund transactions and balances between these Funds are therefore eliminated in full.

The combined financial statements do not include the consolidated figures for the subsidiary investments as detailed in note 8 as the Federation is unincorporated.

2.3 Going concern

The Federation has generated a surplus before exceptional costs and the Trustees, on the basis of the latest trading forecasts, have every expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

2.4 Foreign Exchange Conversion

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.

2.5 Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date where the Federation generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Notes to the financial statements

For the Year ended 31 December 2024

Accounting Policies (cont/d)

2.5 Current and Deferred Taxation (cont/d)

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2.6 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
Short leasehold property	
– General Fund – Durham HQ	No depreciation is provided
Fixtures and fittings	20% per annum – straight line
Regalia	No depreciation is provided
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. The properties are held under the revaluation model.

Investment property

Investment property comprises freehold property rented out to third parties and is carried at market value as determined by the Trustees based on available information and data.

2.7 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 Federation'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 Income and Expenditure account.

Notes to the financial statements

For the Year ended 31 December 2024

Accounting Policies (cont/d)

2.8 Income recognition

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

Other income and sponsorship is recognised when it is probable that an economic benefit will flow to the entity and the revenue can be reliably measured.

2.9 Valuation of investments

Fixed asset investments are stated at their market value at the balance sheet date net of management charges. The Income and Expenditure account includes the net gains and losses arising on revaluation and disposals during the year. Trade investments are stated at historic cost.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and where the economic benefit flows to the entity.

2.11 Pensions

The Federation participates in a pension scheme providing benefits on 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 Federation recognises the liability to fund any deficit determined by the scheme actuary within provisions for liabilities and charges.

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

3. Judgements in applying key accounting policies

The key estimates used in applying the accounting policies are the investment property valuation and the listed investments valuation. The investment property valuation is determined by reviewing the market value of the property and discounting to the appropriate date. The listed investments valuation is determined by obtaining an external valuation which is performed quarterly.

4. Surplus for the year before taxation and reserve transfers

	2024 £	2023 £
Surplus for the year is after charging/(crediting):		
Auditors' remuneration	12,600	14,000
Depreciation of tangible fixed assets:		
Charge for the year	59,392	72,609
Fair value adjustment – investment property	500,000	848,200
Fair value adjustment – freehold property	(55,000)	35,000

Notes to the financial statements

For the Year ended 31 December 2024

5. Taxation

Combined, General and Benefits funds

The National Federation of Retail Newsagents 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.

	2024 £	2023 £
Current year tax		
U.K. corporation tax (<i>General Fund</i>)	130,893	136,345
Foreign tax on capital gain (<i>Benefits Fund</i>)	-	26,558
Prior years' overprovision written back (<i>General Fund</i>)	-	(37,971)
	130,893	124,932
Deferred tax		
Investment property fair value adjustment (<i>General Fund</i>)	(125,000)	(203,300)
Total Current and Deferred tax	<u>5,893</u>	<u>(78,368)</u>

Factors affecting current tax charge

The tax assessed for the year is at the standard rate of corporation tax due in the UK of 25% (2024 – 25%). The differences are explained below:

	2024 £	2023 £
Surplus/(deficit) before taxation, reserve transfers	131,953	(778,005)
Surplus/(deficit) before taxation and reserve transfers multiplied by standard rate of corporation tax in the UK of 25% (2023 – 23.5%)	32,988	(182,831)
Effects of:		
Taxable/(non-taxable) items	97,905	269,792
Adjustment in respect of prior period	-	37,791
Total tax charge for the year	<u>130,893</u>	<u>124,932</u>

Factors affecting future rates of tax

The Finance Act 2021 confirmed an increase of main rate of UK corporation tax from 19% to 25% with effect from 1 April 2023 and as this was substantively enacted by the balance sheet date, temporary differences have been remeasured using the enacted tax rates that are expected to apply when the liability is settled, or asset realised.

Notes to the financial statements

For the Year ended 31 December 2024

6. Tangible fixed assets

(a) Combined

	Freehold property £	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2024	185,000	22,651	140,682	95,416	219,796	663,545
Add/Disp/Reclass.	-	-	4,839	-	-	4,839
Revaluation	55,000	-	-	-	-	55,000
At 31 December 2024	<u>240,000</u>	<u>22,651</u>	<u>145,521</u>	<u>95,416</u>	<u>219,796</u>	<u>723,384</u>
Depreciation						
At 1 January 2024	-	-	45,419	79,292	124,332	249,043
Charge for the year	-	-	4,650	8,303	46,439	59,392
On disposals	-	-	-	-	-	-
At 31 December 2024	<u>-</u>	<u>-</u>	<u>50,069</u>	<u>87,595</u>	<u>170,771</u>	<u>308,435</u>
Net book value						
At 31 December 2024	<u>240,000</u>	<u>22,651</u>	<u>95,452</u>	<u>7,821</u>	<u>49,025</u>	<u>414,949</u>
At 31 December 2023	<u>185,000</u>	<u>22,651</u>	<u>95,263</u>	<u>16,124</u>	<u>95,464</u>	<u>414,502</u>

Freehold property represents the former NFRN office premises at 108-109 Gilesgate, Durham stated at fair value on the basis of an independent valuation undertaken by John Routledge MRICS, of Newcastle -upon- Tyne property consultants Parker Knights. The comparable amount determined according to historical cost in respect of the property was £331,453 (2023 - £331,453).

Leasehold property represented short leasehold improvements undertaken at the NFRN office premises at Bede House in Durham. No depreciation has been charged on these.

Fixtures and fittings include regalia with historic cost of £55,384 (2023 - £55,384) which is not depreciated.

The net book value of assets held under HP is £49,025 (2023 - £91,609). The depreciation charge in respect of these assets is £46,439 (2023 - £54,949).

Notes to the financial statements

For the Year ended 31 December 2024

6. Tangible fixed assets (cont/d)

(b) General Fund

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2024	22,651	108,800	92,782	219,796	444,029
Additions	-	4,839	-	-	4,839
Disposals	-	-	-	-	-
At 31 December 2024	<u>22,651</u>	<u>113,639</u>	<u>92,782</u>	<u>219,796</u>	<u>448,868</u>
Depreciation					
At 1 January 2024	-	16,906	76,659	124,332	217,897
Charge for the year	-	1,461	8,303	46,439	56,203
On disposals	-	-	-	-	-
At 31 December 2024	<u>-</u>	<u>18,367</u>	<u>84,962</u>	<u>170,771</u>	<u>274,100</u>

Net book value

At 31 December 2024	<u>22,651</u>	<u>95,272</u>	<u>7,820</u>	<u>49,025</u>	<u>174,768</u>
At 31 December 2023	<u>22,651</u>	<u>91,895</u>	<u>16,123</u>	<u>95,464</u>	<u>226,132</u>

Property at the balance sheet date represents leasehold improvements at the NFRN office premises at Bede House in Durham. No depreciation has been charged in accordance with the accounting policies. Fixtures and fittings include regalia with historic cost of £55,384 (2023 - £55,384) which is not depreciated. The net book value of assets held under HP is £49,025 (2023 - £91,609). The depreciation charge in respect of these assets is £46,439 (2023 - £54,949).

(c) Benefits Fund

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2024	185,000	31,882	2,634	219,516
Revaluation	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>55,000</u>
At 31 December 2024	<u>240,000</u>	<u>31,882</u>	<u>2,634</u>	<u>274,516</u>
Depreciation				
At 1 January 2024	-	28,513	2,633	31,146
Charge for the year	-	3,189	-	3,189
At 31 December 2024	<u>-</u>	<u>31,702</u>	<u>2,633</u>	<u>34,335</u>

Net book value

At 31 December 2024	<u>240,000</u>	<u>180</u>	<u>1</u>	<u>240,181</u>
At 31 December 2023	<u>185,000</u>	<u>3,369</u>	<u>1</u>	<u>188,370</u>

Freehold property represents the former NFRN office premises at 108-109 Gilesgate, Durham stated at fair value on the basis of an independent valuation undertaken by John Routledge MRICS, of Newcastle -upon-Tyne property consultants Parker Knights. The comparable amount determined according to historical cost in respect of the property was £331,453 (2023 - £331,453).

Notes to the financial statements

For the Year ended 31 December 2024

6. Tangible fixed assets (cont/d)

(d) Investment Property – General Fund and Combined

	2024 £	2023 £
Valuation		
At 1 January 2024 (1 January 2023)	9,500,000	10,313,200
Fair value adjustment	<u>(500,000)</u>	<u>(813,200)</u>
At 31 December 2024 (31 December 2023)	<u>9,000,000</u>	<u>9,500,000</u>

Investment property represents the market value, as assessed by the Trustees based on a desktop valuation by Compton RE, London property consultants, of Yeoman House, Sekforde Street, London EC1. The comparable amount determined according to historical cost in respect of the investment property was £3,094,443 (2023 - £3,094,443).

7. Listed investments

(a) Combined and Benefits Fund

	£
Valuation	
At 1 January 2024	97,036
Additions	31,591
Disposals	(20,586)
Revaluation	<u>3,005</u>
At 31 December 2024	<u>111,046</u>

	2024 £	2023 £
Market value broken down as follows:		
UK Fixed Interest	10,312	10,148
UK Equities	6,558	18,428
North American Equities	61,827	23,579
Japanese Equities	7,644	6,367
Far East & Australian Equities	4,427	4,029
Overseas Equities	-	10,349
Emerging Economies	5,663	5,317
Commercial Property	-	3,925
International Property	4,853	4,810
Alternative Assets	9,404	5,316
Cash	<u>358</u>	<u>2,948</u>
	<u>111,046</u>	<u>97,036</u>

	£
Historical cost	
At 1 January 2024	65,882
Additions	31,591
Disposals	<u>(8,792)</u>
At 31 December 2024	<u>88,681</u>

Notes to the financial statements

For the Year ended 31 December 2024

8. Trade Investments

(a) Combined

Cost	2024 £	2023 £
At 1 January 2024 (1 January 2023)	150,003	150,003
Amounts written off	-	-
At 31 December 2024 (31 December 2023)	<u>150,003</u>	<u>150,003</u>

(b) Benefits Fund

	2024 £	2023 £
Newtrade Media Limited *	150,000	150,000
NFRN Holdings Limited	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/ incorporation	Principal activity	Class	% Capital and reserves	Shares held	
					£	Profit and (loss) for the year £
Subsidiary undertakings						
NFRN Holdings Limited	UK	Holding	Ordinary	100	3	70,000
Newtrade Media Ltd *	UK	Publishing	Ordinary	100	1,298,279	(72,530)
Bede House Limited *	UK	Property investment	Ordinary	100	(73,919)	185,075
Newtrade Publishing Ltd**	UK	Dormant	Ordinary	100	1	-

* Shares held via NFRN Holdings Limited

** Shares held via Newtrade Media Limited

The summary financial statements of Newtrade Media Limited at 31 December 2024 are shown below:

	2024 £	2023 £
Profit and loss reserve		
At 1 January 2024 (1 January 2023)	1,284,809	1,446,407
Profit (loss) for the year	(72,530)	(91,598)
Dividends paid	(70,000)	(70,000)
At 31 December 2024 (31 December 2023)	<u>1,142,279</u>	<u>1,284,809</u>

Notes to the financial statements

For the Year ended 31 December 2024

8. Trade Investments (cont/d)

Balance sheet

Called up share capital	150,000	150,000
Share premium account	6,000	6,000
Profit and loss account	1,142,279	1,284,809
Shareholders' funds	<u>1,298,279</u>	<u>1,440,809</u>

The summary financial statements of Bede House Limited at 31 December are shown below:

	2024 £	2023 £
Profit and loss reserve		
At 1 January 2024 (1 January 2023)	(258,995)	(6,771)
Profit (loss) for the year	185,027	(252,224)
Dividends paid	-	-
At 31 December 2024 (31 December 2023)	<u>(73,968)</u>	<u>(258,995)</u>
Balance sheet		
Called up share capital	1	1
Profit and loss account	<u>(73,968)</u>	<u>(258,995)</u>
Shareholders' funds	<u>(73,967)</u>	<u>(258,994)</u>

9. Debtors

	General Fund	Benefits Fund	Ratcliffe Benevolent Fund	Carl Bridge- water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
Customer receivables	131,032	-	5,191	-	136,223	254,045
Inter-fund balances	108	965,801	133,152	-	-	-
Other debtors	282,573	2,427,692	70,014	171,272	2,951,551	2,998,735
Prepayments and accrued inc.	465,810	40	-	-	465,850	572,161
	<u>879,523</u>	<u>3,393,533</u>	<u>208,357</u>	<u>171,272</u>	<u>3,533,624</u>	<u>3,824,941</u>

Other debtors include £2,499,000 (2023 - £2,349,000) which is due after more than one year.

Notes to the financial statements

For the Year ended 31 December 2024

10. Cash and cash equivalents

	General Fund	Benefits Fund	Ratcliffe Benevolent Fund	Carl Bridge-water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
Sterling and foreign currency	1,246,618	106,531	59,419	8,446	1,421,014	1,054,576
Earmarked deposits	12,551	-	-	-	12,551	61,995
Tenant deposit	185,340	-	-	-	185,340	185,340
Petty cash	14	-	-	-	14	14
	1,444,523	106,531	59,419	8,446	1,618,919	1,301,925

Earmarked deposits represent the NFRN Voluntary and Covid-19 Hardship funds. The General Fund also holds a tenant deposit under the terms of a deposit deed dated 12th August 2021.

11. Creditors: Amounts falling due within one year

	General Fund	Benefits Fund	Ratcliffe Benevolent Fund	Carl Bridge-water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
Corporation tax	130,190	-	-	-	130,190	136,345
Other tax and social security	178,673	-	238	188	179,099	144,880
Inter-fund balances	1,098,953	-	-	108	-	-
Supplier and other creditors	1,072,105	12	12	12	1,072,141	1,430,198
Accruals and deferred income	361,692	-	-	-	361,692	443,596
Amounts due – hire purchase	18,333	-	-	-	18,333	48,114
	2,859,946	12	250	308	1,761,455	2,203,133

12. Creditors: Amounts falling due in more than one year

	General Fund	Benefits Fund	Ratcliffe Benev't Fund	Carl Bridge-water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
Amounts due under hire purchase	-	-	-	-	-	17,665
	-	-	-	-	-	17,665

Notes to the financial statements

For the Year ended 31 December 2024

12. Creditors: Amounts falling due in more than one year (cont/d)

Ageing of the amounts due under hire purchase is as follows:

	2024 £	2023 £
Amounts due under hire purchase (1 – 2 years)	-	17,665
Amounts due under hire purchase (2 – 5 years)	-	-
	<u>-</u>	<u>17,665</u>

13. Provisions for Liabilities and Charges

Combined and General Fund

(a) Deferred tax	2024 £	2023 £
At beginning of the year	1,956,260	2,159,560
(Credited)/charged to income and expenditure account	(125,000)	(203,300)
Charged to investment property reserve	-	-
At end of year	<u>1,831,260</u>	<u>1,956,260</u>

The liability arises on the fair value gain on investment property.

(b) Defined benefit pension scheme deficit reduction	2024 £
At beginning of the year	255,176
(Credited)/charged to income and expenditure account	<u>(36,583)</u>
At end of year	<u>218,593</u>

See Note 16.

14. Reserves

(a) Property revaluation reserve

	General Fund	Benefits Fund	Ratcliffe Benev't Fund	Carl Bridge- water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
At 1 January 2024	5,644,096	-	-	-	5,644,096	5,675,774
Transfer between reserves	-	-	-	-	-	(31,678)
At 31 December 2024	<u>5,644,096</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,644,096</u>	<u>5,644,096</u>

This reserve represents fair value movements on revaluation of freehold property.

Notes to the financial statements

For the Year ended 31 December 2024

14. Reserves (cont/d)

(b) Capital reserve

	General Fund	Benefits Fund	Ratcliffe Benev't Fund	Carl Bridge-water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
On 1 January 2024	808,602	3,860,374	267,921	175,180	5,112,077	5,780,036
Surplus/(deficit) for the year	36,317	85,908	(395)	4,230	126,060	(699,637)
Surplus on revaluation of Freehold property	-	55,000	-	-	55,000	-
Transfer from other reserves	-	-	-	-	-	31,678
At 31 December 2024	844,919	4,001,282	267,526	179,410	5,293,137	5,112,077

This reserve represents un-restricted funds retained to provide the working capital to enable the Federation to carry out its activities.

(c) Strategic reserve

	General Fund	Benefits Fund	Ratcliffe Benev't Fund	Carl Bridge-water Fund	Combined 2024	Combined 2023
	£	£	£	£	£	£
At 1 January 2024	100,000	-	-	-	100,000	100,000
Transfer (to)/from income and expenditure account	-	-	-	-	-	-
At 31 December 2024	100,000	-	-	-	100,000	100,000

This reserve represents funds set aside to meet the Federation's strategic and contingency needs.

Notes to the financial statements

For the Year ended 31 December 2024

15. Employee Costs – Combined and General Fund

Staff costs, including temporary staff, were as follows:

	2024 £	2023 £
Wages and salaries	1,645,962	1,771,501
Social security costs	182,474	184,316
Benefits-in-kind	9,122	6,519
Staff training and welfare	27,394	27,913
Defined contribution schemes	100,281	102,990
Defined benefit scheme including deficit reduction	10,582	307,676
	<u>1,975,815</u>	<u>2,400,915</u>

The average monthly number of employees, including full and part time staff, during the year was made up as follows:

	2023 No	2023 No
Head office	13	13
Districts	<u>30</u>	<u>32</u>
	<u>43</u>	<u>45</u>

16. Pension Costs

Defined Benefit

The Federation operates a pension scheme for staff of the Federation and of subsidiary companies, which provides benefits based on final pensionable salaries.

The Scheme was closed to new entrants at 31 March 2002 to new members with effect from 31 March 2002 and effectively made paid-up (closed to the future accrual of benefits for its active members) with effect from 6 August 2020 when the last active member left the Scheme. There are, therefore, no active members of the Scheme at the most recent review date.

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

The most recent scheme valuation was undertaken as of 31st March 2022 and disclosed pension scheme assets of £8,590,000 and pension scheme liabilities of £9,072,000.

At the review date the market value of the Scheme's assets was exceeded by the present value of the Technical Provisions calculated on the scheme-specific valuation basis adopted. The deficit disclosed by the scheme-specific actuarial valuation as at 31 March 2022 amounted to £482,000. On that basis the Statutory Funding Objective was only 94.7% met on the review date.

Notes to the financial statements

For the Year ended 31 December 2024

16. Pension Costs (cont./d)

On the scheme-specific valuation basis adopted, the financial position of the Scheme has deteriorated with a past service funding level of 94.7% compared to 101.6% at 31 March 2019, the date of the last tri-annual scheme valuation. There was therefore a past service deficit of £482,000 at the current review date compared to a surplus of £131,000 as at 31 March 2019.

To eliminate the funding shortfall of £482,000 as at 31 March 2022, the Trustees and the Pension Scheme Administrator have agreed that an annual contribution of £75,000 will be paid to the Scheme annually in arrears for a period of 7 years from the valuation date with the first contribution of £75,000 paid before 31 March 2023.

On the basis that the membership profile was broadly in the ratio of 69:31 between the Federation (NFRN) and subsidiary Newtrade Media Limited, the deficit provision of £218,593 (2023 - £255,176) is recognised in the NFRN financial statements representing the present value of its share of the deficit at the balance sheet date. While the March 2025 tri-annual valuation has yet to be determined, the trustees are nonetheless confident that the existing provision remains adequate.

Defined Contribution

The Federation also operates a money purchase stakeholder scheme for members of staff which was introduced on 1 April 2002. In addition, an auto enrolment scheme was also introduced on 1 October 2014.

Contributions payable by the Federation for the year amounted to £108,626 (2023 - £151,901).

17. Leasing commitments – Combined and General Fund

	Land and Buildings	Other	Land and Buildings	Other
	2024	2024	2023	2023
	£	£	£	£
Within 1 year	42,927	-	42,927	-
In 2 to 5 years	171,708	-	171,708	-
Greater than 5 years	42,927	-	85,927	-
	257,562	-	300,562	-

Rents payable under operating leases during the period amounted to £43,927 (2023 - £43,600).

18. Control

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

Notes to the financial statements

For the Year ended 31 December 2024

19. Related Party Transactions

(a) General Fund

During the year, the General Fund undertook the following transactions with related undertakings.

	2024 £	2023 £
Net recharge to/(from):		
Newtrade Media Limited	<u>150,000</u>	<u>185,000</u>

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

The balances outstanding from/ (to) related undertakings at the year-end are as follows:

	2024 £	2023 £
Newtrade Publishing Limited	(730)	(730)
Newtrade Media Limited	(350,000)	(420,000)
NFRN Pension Scheme	<u>-</u>	<u>-</u>

The amount due to Newtrade Media Limited includes an unsecured interest-bearing loan facility of £350,000 (2023 - £420,000). The interest rate is 2.25% per annum and interest charged in the period amounted to £10,354 (2023 - £12,104).

Total remuneration in respect of key management personnel of the Federation is £Nil (2023 - £Nil).

(b) Benefits Fund

The Benefits Fund received dividends of £70,000 (2023 - £70,000) from NFRN Holdings Limited.

The Benefits Fund has also made loans amounting to £2,274,000 (2023 - £2,124,000) to subsidiary Bede House Limited on the following terms:

- An interest-bearing loan of £2,124,000 (2023 - £2,124,000) with an applicable annual rate of 3%. The balance at the year-end was £2,269,808 (2023 - £2,206,088) including accrued interest of £145,808 (2023 - £82,088).
- An interest free loan of £150,000 (2023 - £Nil).

The capital elements of the loans are repayable after more than one year.

(c) Ratcliffe Benevolent Fund

The Ratcliffe Benevolent Fund has made an interest-bearing loan of £65,000 (2023 - £65,000) to associated undertaking Bede House Limited in order to finance the acquisition of its investment property. The applicable interest rate was 3% and the balance at the year-end was £69,589 (2023 - £67,639) including accrued interest of £4,589 (2023 - £2,639). The capital element of the loan is due for repayment after more than one year.

Notes to the financial statements

For the Year ended 31 December 2024

19. Related Party Transactions (cont/d)

(d) Carl Bridgewater Fund

The Carl Bridgewater Fund has made an interest-bearing loan of £160,000 (2023 - £160,000) to associated undertaking Bede House Limited in order to finance the acquisition of its investment property. The applicable interest rate was 3% and the balance at the year-end was £171,272 (2023 - £166,472) including accrued interest of £11,272 (2023 - £6,472). The capital element of the loan is due for repayment after more than one year.

20. Financial instruments

Combined	2024	2023
	£	£
Financial assets		
Financial assets measured at fair value through profit and loss	<u>111,046</u>	<u>97,036</u>
Financial assets measured at amortised cost	<u>5,455,698</u>	<u>5,276,869</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,386,692</u>	<u>1,622,501</u>

Financial assets measured at fair value through profit and loss comprise investments in listed companies. Financial assets measured at amortised cost comprises investments in subsidiaries, amounts owed by group, debtors and cash. Financial liabilities measured at amortised cost comprises trade creditors, other creditors and accruals.

21. Financial commitments

During the period, the Federation entered into a contractual commitment with a CRM supplier for the initial design and delivery of a new membership management system representing net set-up and implementation costs of £161,984 and subsequent 5-year licencing period for hosted services at a total additional cost of £119,380.

22. Events After the Balance Sheet Date

There were no events to report after the balance sheet date.