

Company number: 09655520

IMPRESS: The Independent Monitor for the Press CIC

Report and Financial Statements
For the period ended 31 March 2016

IMPRESS: The Independent Monitor for the Press CIC

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For the period ended 31 March 2016

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IMPRESS: The Independent Monitor for the Press CIC

Reference and Administrative Details

For the period ended 31 March 2016

Status The organisation is a community interest company limited by guarantee, incorporated on 24 June 2015, registered in England and Wales.

Company number 09655520

Registered office and operational address 83 Victoria Street
LONDON SW1H 0HW

Directors Deborah Arnott
Iain Christie
Walter Merricks CBE (Chair)
Máire Messenger–Davies
David Robinson
Patrick Swaffer
Emma Jones
Martin Hickman

Bankers The Co-operative Bank
P.O. Box 101
1 Balloon Street
Manchester
M60 4EP

Solicitors Bindmans
236 Gray's Inn Road
London
WC1X 8HB

Auditors Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108–114 Golden Lane
London
EC1Y 0TL

IMPRESS: The Independent Monitor for the Press CIC

Directors' Annual Report

For the period ended 31 March 2016

The directors present their report and the audited financial statements for the period from incorporation to 31 March 2016.

The Directors and their Interests

The directors who served during the period were as follows:

Deborah Arnott (appointed on incorporation)

Iain Christie (appointed on incorporation)

Walter Merricks CBE (appointed on incorporation)

Máire Messenger-Davies (appointed on incorporation)

David Robinson (appointed on incorporation)

Patrick Swaffer (appointed on incorporation)

Emma Jones (appointed 1 January 2016)

Martin Hickman (appointed 1 January 2016)

Sue Evison (appointed on incorporation, resigned 2 July 2015)

All serving directors are members of the company and their liability in the event of winding up is limited to their guarantee of £1 each.

Principal Activities and Review

IMPRESS is the first truly independent press regulator in the UK. We award a Trust in Journalism mark to news publishers who meet our standards. We give these publishers the freedom to report hard-hitting stories and the responsibility to behave fairly if complaints are made against them. We have the power to decide on complaints that publishers cannot resolve.

This was the first period of IMPRESS's existence. In the course of the period, we received the first instalment of a major four-year grant from the Independent Press Regulation Trust (IPRT). These funds allowed us to invest in the necessary capacity to achieve our objectives. In particular, we were able to appoint a core staff team, including a Chief Executive Officer, a Chief Operating Officer, a Business Manager & Company Secretary, and a Policy & Complaints Officer. We were also able to appoint a number of expert consultants to support us with business development, compliance and communications. We took a serviced office at a convenient central London location and put our IT infrastructure in place. We developed our branding and launched a new website with clear information about the organisation.

Thanks to this initial investment, we began during the course of the year to recruit publishers who wish to sign up to the IMPRESS regulatory scheme. We put all these publishers through a rigorous compliance process to ensure they have the capacity to deal properly with any complaints. Only when they have completed this process are we prepared to offer them a full regulatory service. The number of regulated publishers has continued to grow since the financial year end. As our workload expands, we expect to make use of the surplus funds we generated this year, whilst retaining a prudent reserves policy.

Responsibilities of the Directors

The directors are responsible for preparing the Directors' Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these Financial Statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

Each of the directors confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the directors also confirms that he/she has taken all steps that he/she reasonably ought to have taken to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

IMPRESS: The Independent Monitor for the Press CIC

Directors' Annual Report

For the period ended 31 March 2016

Auditors

Sayer Vincent LLP were appointed as the company's auditors during the period and have expressed their willingness to continue in that capacity.

Report Preparation

The Directors' Annual Report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 11th October 2016 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Walter Merricks', with a long horizontal flourish extending to the right.

Walter Merricks CBE
Chair

Independent Auditors' Report

To the members of

IMPRESS: The Independent Monitor for the Press CIC

We have audited the Financial Statements of IMPRESS: The Independent Monitor for the Press CIC for the period ended 31 March 2016, which comprise the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows, 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 company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities set out in the Directors' Annual Report, the directors 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

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on Financial Statements

In our opinion the Financial Statements:

- Give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its results for the period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Independent Auditors' Report

To the members of

IMPRESS: The Independent Monitor for the Press CIC

Opinion on Other Matter Prescribed by the Companies Act 2006


In our opinion:

- The information given in the directors' annual report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- The Financial Statements are not in agreement with the accounting records and returns;
- Certain disclosures of directors' remuneration specified by law are not made;
- We have not received all the information and explanations we require for our audit;
- The directors were not entitled to prepare the Financial Statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Annual Report' and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Catherine Sayer (Senior statutory auditor)

27 October 2016

for and on behalf of Sayer Vincent LLP, Statutory Auditors
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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Statement of comprehensive income

For the period ended 31 March 2016

	Note	2016 Total £
Turnover	2	476,227
Administrative expenses		(274,991)
Operating surplus		<u>201,236</u>
Interest receivable and similar income		175
Surplus on ordinary activities before taxation	3	<u>201,411</u>
Taxation on surplus on ordinary activities	5	-
Surplus for the financial year		<u>201,411</u>
Accumulated surplus at 24 June 2015		-
Accumulated surplus at 31 March 2016		<u><u>201,411</u></u>

All of the above results are derived from continuing activities (and includes all comprehensive income). There were no other recognised gains or losses other than those stated above. All movements in funds are included within the statement above.

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Statement of financial position

Company no. 09655520

As at 31 March 2016

	Note	£	2016 £
Current assets:			
Debtors	6	42,024	
Cash at bank and in hand		183,724	
		<u>225,748</u>	
Creditors:			
Amounts falling due within one year	7	24,337	
		<u>24,337</u>	
Net current assets			<u>201,411</u>
Net assets			<u>201,411</u>
Reserves			
Retained funds			<u>201,411</u>
Total reserves			<u>201,411</u>

The financial statements were approved by the Board of Directors on 11th October 2016 and signed on behalf of the Board of Directors:



Walter Merricks CBE
Chair

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Statement of cash flows

For the period ended 31 March 2016

	Note	2016 Total £
Cash flows from operating activities:	8	183,549
Cash flows from investing activities:		
Interest received		175
<i>Net cash from investing activities</i>		<u>175</u>
Net increase in cash and cash equivalents		<u>183,724</u>
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		<u><u>183,724</u></u>

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Notes to the financial statements

For the period ended 31 March 2016

1 Accounting policies

a) Statutory information

Impress: The Independent Monitor for the Press CIC is a company limited by guarantee and is incorporated in England. Its company number is 09655520. The registered office address is 83 Victoria Street, London SW1H 0HW.

b) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

c) Accounting period

The accounting period runs from incorporation, on 25 June 2015, to 31 March 2016. The reason for this is so that the accounting period used coincides with that used most often by the government.

d) Going concern

The accounts have been prepared on a going concern basis, there being no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

e) Income

Turnover primarily consists of grants received, as shown in note 2. Grants are recognised when receivable.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

g) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

i) Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

j) Deferred tax

Provision is made on the liability method for all taxation deferred in respect of timing differences to the extent that, in the opinion of the directors, a liability is likely to crystallise in the foreseeable future.

2 Turnover

	2016 £
Grants	475,000
Other income	1,227
	<hr/>
	476,227

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Notes to the financial statements

For the period ended 31 March 2016

3 Surplus before tax is stated after charging:

	2016 £
Directors' remuneration	49,920
Auditors' remuneration (excluding VAT):	
Audit	6,000
Other services – accountancy and taxation services	3,000
Operating lease rentals:	
Plant and machinery	13,513
	<u>13,513</u>

4 Directors' and employees' costs and emoluments

Staff costs including directors during the period were as follows:

	2016 £
Wages and salaries	120,269
Social security costs	10,588
Pension costs	500
	<u>131,357</u>

The average number of employees including directors during the period was as follows:

	2016 Number
Directors	7
Staff	3
	<u>10</u>

The total employee benefits including pension contributions of the key management personnel were £119,171.

Emoluments made to directors, including benefits in kind, totalled £50,934 in the period.

5 Taxation

As a community interest company, no charge to corporation tax is expected to arise on the surplus for the period.

6 Debtors

	2016 £
Other debtors	4,970
Prepayments	17,008
VAT recoverable	20,046
	<u>42,024</u>

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Notes to the financial statements

For the period ended 31 March 2016

7 Creditors: amounts falling due within one year	2016
	£
Trade creditors	17,837
Accruals	6,500
	<u>24,337</u>

8 Reconciliation of net income to net cash flow from operating activities	2016
	£
Net income for the reporting period (as per the statement of financial activities)	201,411
Bank interest receivable	(175)
(Increase) in debtors	(42,024)
Increase in creditors	24,337
	<u>183,549</u>
Net cash provided by operating activities	<u>183,549</u>

9 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property
	2016
	£
Less than one year	<u>35,043</u>

10 Related party transactions

There are no related party transactions to disclose for the period.

11 Legal status

The organisation is a community interest company, limited by guarantee, and has no share capital. The liability of each member in the event of winding up is limited to £1.