

Company number: 09655520

# IMPRESS: The Independent Monitor for the Press CIC

Report and financial statements  
For the year ended 31 March 2020

# IMPRESS: The Independent Monitor for the Press CIC

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### For the year ended 31 March 2020

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## IMPRESS: The Independent Monitor for the Press CIC

### Reference and administrative details

For the year ended 31 March 2020

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<b>Status</b>	The organisation is a Community Interest Company limited by guarantee, incorporated on 24 June 2015 in the United Kingdom	
<b>Company number</b>	09655520	
<b>Registered office and operational address</b>	16–18 New Bridge Street LONDON, EC4V 6AG	
<b>Directors</b>	Deborah Arnott	
	Iain Christie	(resigned on 30 September 2019)
	Shelina Janmohamed	(appointed on 1 November 2019)
	Emma Jones	(resigned on 31 December 2019)
	David Leigh	
	Walter Merricks CBE	Chair
	Máire Messenger Davies	(resigned on 30 September 2019)
	David Robinson	
	Patrick Swaffer	(resigned on 29 February 2020)
	Pam Vick	(appointed on 1 November 2019)
	Andrea Wills	
	Cordella Bart–Stewart	(appointed on 13 July 2020)
	Debrah Harding	(appointed on 13 July 2020)
<b>Bankers</b>	TSB Bank plc. Henry Duncan House 120 George Street EDINBURGH EH2 4LH	
<b>Solicitors</b>	Bindmans 236 Gray's Inn Road LONDON WC1X 8HB	
<b>Auditor</b>	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 year ended 31 March 2020

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The directors present their report and the audited financial statements for the year to 31 March 2020.

## The Directors and their Interests

The directors who served during the period were as follows:

- Deborah Arnott
- Iain Christie (resigned on 30 September 2019)
- Shelina Janmohamed (appointed on 1 November 2019)
- Emma Jones (resigned on 31 December 2019)
- David Leigh
- Walter Merricks CBE
- Máire Messenger Davies (resigned on 30 September 2019)
- David Robinson
- Patrick Swaffer (resigned on 29 February 2020)
- Pam Vick (appointed on 1 November 2019)
- Andrea Wills
- Cordella Bart-Stewart (appointed on 13 July 2020)
- Debrah Harding (appointed on 13 July 2020)

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 aims to ensure that quality, independent journalism flourishes in a digital age, helping build understanding and trust between journalists and the public. Our approved regulation scheme awards publishers with a trust in journalism mark that represents a commitment to high standards of journalism, responsive complaints handling and legal redress.

Last year we reported that the Press Recognition Panel (PRP) had completed a two-year cyclical review of IMPRESS's approved regulator status and had concluded that we continue to meet all 29 of the recognition criteria set out in the Royal Charter on self-regulation of the press. This demonstrated that IMPRESS is an independent and effective regulator that protects both the public and the freedom of the press.

IMPRESS has continued to build on its approved regulator status and now regulates 96 news publishing organisations who between them publish 160 titles in print and online, reaching over 15 million readers each month. This represents a 25% increase on last year. We assessed 46 complaints, published a further eight adjudications, issued one advisory notice and completed one preliminary investigation on our own initiative which did not result in a case to answer and

**Directors' annual report**

**For the year ended 31 March 2020**

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therefore required no further investigation. We did not receive any further requests for arbitration during the year.

We have contributed to a number of government consultations and parliamentary inquiries and spoke at conferences, seminars and symposiums. We responded to the House of Lords Inquiry into the future of journalism and appeared before the All Party Parliamentary Group on Religion and the Media. We secured funding from the Joseph Rowntree Reform Trust to establish an Independent Publisher Taskforce that led to the creation of the Public Interest News Foundation (PINF), which has recently been granted charitable status to help build funding and leadership capacity in the sector. During the year IMPRESS provided support of staff and facilities to help establish PINF which has been estimated at a value of £8,516 in cost to IMPRESS

We hosted our second Trust In Journalism Conference which was attended by over 130 delegates and featured seven panels and 18 speakers from around the world. We continued to deliver a standards programme and published guidance on online media law and reporting on polls and surveys in partnership with the Market Research Society. We hosted one of the UK consultation events on proposed new international standards for journalism in partnership with the Journalism Trust Initiative and met with four press councils from around the world to share best practice in regulating the press and news websites.

We remain grateful for the support of the Independent Press Regulation Trust (IPRT), which has allowed us to invest in our ongoing development.

## **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.

**Directors' annual report**

**For the year ended 31 March 2020**

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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.

## **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 17 November 2020 and signed on their behalf by

Walter Merricks CBE  
Chair

## Independent auditor's report

To the members of

**IMPRESS: The Independent Monitor for the Press CIC**

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### Opinion

We have audited the financial statements of IMPRESS: The Independent Monitor for the Press CIC (Community Interest Company – the ‘company’) for the year ended 31 March 2020 which comprise the statement of income and retained earnings, balance sheet and the 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 and Republic of Ireland’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its result for the year 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

### Basis for opinion

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 company 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 where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for

## Independent auditor's report

To the members of

### IMPRESS: The Independent Monitor for the Press CIC

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the other information. 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 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.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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
- The directors' annual report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual report.

We have nothing to report in respect of the following matters in relation to which 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; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' annual report and from the requirement to prepare a strategic report.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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, and for such internal control as the directors

## Independent auditor's report

To the members of

### IMPRESS: The Independent Monitor for the Press CIC

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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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

## Independent auditor's report

To the members of

**IMPRESS: The Independent Monitor for the Press CIC**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

2 December 2020

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

**IMPRESS: The Independent Monitor for the Press CIC****Statement of income and retained earnings****For the year ended 31 March 2020**

	Note	2020 Total £	2019 Total £
Income	2	980,543	1,001,918
Expenditure		<u>(933,592)</u>	<u>(887,194)</u>
<b>Surplus on ordinary activities before interest and taxation</b>		<b>46,951</b>	<b>114,724</b>
Interest receivable and similar income		2,199	1,254
<b>Surplus on ordinary activities before taxation</b>	3	<u>49,150</u>	<u>115,978</u>
Taxation on surplus on ordinary activities	5	<u>(418)</u>	<u>(218)</u>
<b>Surplus for the financial year</b>		<u><b>48,732</b></u>	<u><b>115,760</b></u>
<b>Retained earnings</b>			
Total retained earnings brought forward		368,188	252,428
Surplus/(deficit) for the financial year		<u>48,732</u>	<u>115,760</u>
<b>Total retained earnings carried forward</b>		<u><b>416,920</b></u>	<u><b>368,188</b></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

**IMPRESS: The Independent Monitor for the Press CIC****Statement of financial position**

Company no. 09655520

**As at 31 March 2020**

	Note	£	2020 £	£	2019 £
<b>Fixed assets</b>	6		<b>11,013</b>		30,480
<b>Current assets:</b>					
Debtors	7	<b>226,708</b>		286,558	
Cash at bank and in hand		<b>188,742</b>		84,189	
		<b>415,450</b>		<b>370,747</b>	
<b>Creditors:</b>					
Amounts falling due within one year	8	<b>9,543</b>		33,039	
<b>Net current assets</b>			<b>405,907</b>		<b>337,708</b>
<b>Net assets</b>			<b>416,920</b>		<b>368,188</b>
<b>Reserves</b>					
Retained funds			<b>416,920</b>		<b>368,188</b>
<b>Total reserves</b>			<b>416,920</b>		<b>368,188</b>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 17 November 2020 and signed on behalf of the Board of Directors:

Walter Merricks CBE  
Chair

# IMPRESS: The Independent Monitor for the Press CIC

## Notes to the financial statements

### For the year ended 31 March 2020

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#### 1 Accounting policies

##### a) Statutory information

IMPRESS: The Independent Monitor for the Press CIC is a company limited by guarantee and is incorporated in the United Kingdom. Its company number is 09655520. The registered office address is 16–18 New Bridge Street, London EC4V 6AG.

##### b) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A – '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. IMPRESS is a Public Benefit Entity, which exists to benefit the community rather than shareholders.

##### c) 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.

##### d) Income

Turnover primarily consists of grants receivable, as shown in note 2. Grant and other income is recognised when receivable. In accordance with the Public Benefit Entity requirements of FRS 102, the existence of a restriction does not prohibit a resource from being recognised in income when receivable.

##### e) 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.

##### f) Operating leases

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

##### g) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### h) Property, plant and equipment

Items of equipment are capitalised where the purchase price exceeds £5,000. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is calculated to write down the cost less estimated residual value of all assets over their expected useful lives, using the straight line method. The rates applicable are:

- Leasehold improvements **4 years**
- Office equipment **1 to 3 years**

##### i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to the financial statements

For the year ended 31 March 2020

j) 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.

k) 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 Income

	2020 £	2019 £
Grants	971,000	950,000
Other income	9,543	51,918
	<u>980,543</u>	<u>1,001,918</u>

3 Surplus/(deficit) before tax is stated after charging:

	2020 £	2019 £
Directors' remuneration	77,696	125,760
Depreciation	19,467	21,934
Auditors' remuneration (excluding VAT):		
Audit	5,875	5,700
Other services – accountancy and taxation	2,700	2,575
Operating lease rentals:		
Rent	55,384	55,384
	<u>55,384</u>	<u>55,384</u>

4 Directors' and employees' costs and emoluments

Staff costs including directors during the year were as follows:

	2020 £	2019 £
Wages and salaries	407,508	467,284
Social security costs	36,180	41,099
Pension costs	25,161	18,323
	<u>468,849</u>	<u>526,706</u>

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

	2020 Number	2019 Number
Directors	9	10
Staff	7	8
	<u>16</u>	<u>18</u>

Emoluments paid to 9 directors, including benefits in kind, totalled £77,696 in the year (2019: 10 directors – £125,760).

Notes to the financial statements

For the year ended 31 March 2020

5 Taxation

As a community interest company, no charge to corporation tax is expected to arise on operating surpluses. Corporation tax arises on interest receivable.

	2020 £	2019 £
Provision for Corporation Tax for the year	418	238
(Over)/under provision for the prior	-	(21)
	<u>418</u>	<u>218</u>

6 Fixed assets

	Leasehold improvement £	Office equipment £	Total £
<b>Cost</b>			
At the start of the year	68,066	22,402	<b>90,468</b>
At the end of the year	<u>68,066</u>	<u>22,402</u>	<u><b>90,468</b></u>
<b>Depreciation</b>			
At the start of the year	41,123	18,865	<b>59,988</b>
Charge for the year	17,017	2,450	<b>19,467</b>
At the end of the year	<u>58,140</u>	<u>21,315</u>	<u><b>79,455</b></u>
<b>Net book value</b>			
At the end of the year	<u>9,926</u>	<u>1,087</u>	<u><b>11,013</b></u>
At the start of the year	<u>26,943</u>	<u>3,537</u>	<u>30,480</u>

7 Debtors

	2020 £	2019 £
Other debtors	2,734	2,385
Rent deposit	66,461	66,461
Prepayments and accrued income	151,417	208,690
VAT recoverable	6,096	9,022
	<u>226,708</u>	<u>286,558</u>

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,343	22,871
Accruals	7,200	10,168
	<u>9,543</u>	<u>33,039</u>

Notes to the financial statements

For the year ended 31 March 2020

**9 Restricted funds**

Included in funds are restricted funds of nil (2019: £20,208).

	2020 £	2019 £
Restricted funds brought forward	20,208	67,053
Restricted funds received in the year	21,000	–
Restricted funds used in the year	(41,208)	46,845
	<hr/>	<hr/>
Restricted funds carried forward	–	20,208
	<hr/> <hr/>	<hr/> <hr/>

The restricted funds brought forward at the start of the year were fully expended in the year.

**10 Operating lease commitments**

The organisation's total future minimum lease payments under non-cancellable operating leases is as follows:

	Property 2020 £	2019 £
Less than one year	36,923	55,380
One to five years	198,445	92,300
	<hr/>	<hr/>
	235,368	147,680
	<hr/> <hr/>	<hr/> <hr/>

**11 Related party transactions**

Other than the payments to directors in note 4, there are no other related party transactions to disclose for the year (2019: £nil).

**12 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.