

**Company Registration No. 00103807**

**Central Counties Newspapers Limited**

**Annual Report and Financial Statements**

**For the 52 week period ended 31 December 2016**

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# **Central Counties Newspapers Limited**

## **Annual report and financial statements For the 52 week period ended 31 December 2016**

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# **Central Counties Newspapers Limited**

## **Officers and professional advisers**

**For the 52 week period ended 31 December 2016**

### **Directors**

A G M Highfield

D J King

### **Company secretary**

P M McCall

### **Registered office**

Unex House - Suite B

Bourges Boulevard

Peterborough

Cambridgeshire

England

PE1 1NG

### **Solicitors**

MacRoberts

Capella

60 York Street

Glasgow

G2 8JX

# **Central Counties Newspapers Limited**

## **Directors' report For the 52 week period ended 31 December 2016**

The Directors, who are also Directors of the ultimate parent company Johnston Press plc (the "Group") present their annual report on the affairs of the Central Counties Newspapers Limited (the "Company"), together with the financial statements, for the 52 week period ended 31 December 2016.

In accordance with the provisions of s414B Companies Act 2006 and s415A Companies Act 2006, the Company is entitled to the small company's exemption in relation to the Directors' report for the financial period.

### **Activities and results**

The Company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the current and preceding financial period. It is anticipated that the Company will remain dormant for the foreseeable future.

The Company's ability to continue as a going concern is dependent on the continued operation of the Group and the outcome and timing of the strategic review and the associated uncertainties described in the Group's going concern and viability statement.

The Company had no employees, other than the Directors, during either period. The Directors received no remuneration for their services to the Company in either period.

The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities during the forthcoming financial period.

The financial position of the Company is set out in the balance sheet on page 4.

Johnston Press plc, the ultimate parent company of the Group, provides the Company with direction and access to all central resources it needs and determines policies in all key areas such as finance, risk, human resources or environment. For this reason, the Directors believe that performance indicators and principal risks or uncertainties specific to the Company are not necessary or appropriate for an understanding of the development, performance, position or future developments of the business. The publicly available annual report of Johnston Press plc reviews these matters on a Group basis.

### **Liquidity and going concern**

The Company is part of the Johnston Press plc group, which has published its audited consolidated financial statements to 31 December 2016 and interim report to 1 July 2017.

The Company's ability to continue as a going concern is dependent on the continued operation of the Group and the outcome and timing of the strategic review. The Company utilises intercompany funding provided by other Group companies.

The Company is a guarantor under the Group financing arrangements dated 23 June 2014.

Further details of the Group liquidity and going concern position are detailed in the 2016 annual report included within the viability statement on page 46 and in the 2017 interim report included within the viability statement on page 14.

### **Dividends**

No dividends have been paid or proposed by the Directors (2 January 2016: £nil).

### **Directors**

The Directors who served throughout the year were as follows:

A G M Highfield  
D J King

### **Directors' liability**

As permitted by the Companies Act 2006, the Group has insurance cover for the Directors against liabilities in relation to the Company.

# **Central Counties Newspapers Limited**

## **Directors' report (continued)**

### **For the 52 week period ended 31 December 2016**

#### **Future developments and events after the balance sheet date**

The Group issued its interim results for the 26 week period ended 1 July 2017 on 2 August 2017. Refer to note 19 in those interim results for details of events that occurred after the balance sheet date. There are no other events requiring disclosure.

#### **Approval of reduced disclosures**

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in subsequent periods. Objections to this basis of preparation may be served on the Company by Johnston Press plc, as the ultimate parent of the entity.

Approved by the Board and signed on its behalf by:



D J King  
Director

29 September 2017

# Central Counties Newspapers Limited

## Balance sheet

As at 31 December 2016

	Notes	31 December 2016 £000	2 January 2016 £000
Called-up share capital	3	255	255
Profit and loss account	4	(255)	(255)
<b>Shareholder's funds</b>		<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

The Company did not trade during the current or preceding period and has made neither profit nor loss, nor any other items of comprehensive income. Central Counties Newspapers Limited is a dormant company, as defined by the Companies Act 2006, and has therefore elected to retain its accounting policies for reported assets, liabilities and equity at the date of transition to FRS 102 in accordance with the transition provisions in paragraph 35.10 in FRS 102.

For the year ending 31 December 2016 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to small companies.

### Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- these accounts have been delivered and prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements of Central Counties Newspapers Limited, registered number 00103807 were approved by the Board of Directors on 29 September 2017 and signed on their behalf:



D J King  
Director

# Central Counties Newspapers Limited

## Notes to the financial statements

### For the 52 week period ended 31 December 2016

#### 1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current and preceding periods, is set out below:

##### General information and basis of accounting

Central Counties Newspapers Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Unex House - Suite B, Bourges Boulevard, Peterborough, Cambridgeshire, PE1 1NG. The Company is a dormant non trading entity, whose principle assets and liabilities are held with fellow entities within the Group.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash-flow statement, intra-group transactions and remuneration of key personnel.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

##### Liquidity and going concern

The Company is part of the Johnston Press plc group, which has published its audited consolidated financial statements to 31 December 2016 and interim report to 1 July 2017.

The Company's ability to continue as a going concern is dependent on the continued operation of the Group and the outcome and timing of the strategic review. The Company utilises intercompany funding provided by other Group companies.

The Company is a guarantor under the Group financing arrangements dated 23 June 2014.

Further details of the Group liquidity and going concern position are detailed in the 2016 annual report included within the viability statement on page 46 and in the 2017 interim report included within the viability statement on page 14.

#### 2. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, which are described in note 1, management have not made any judgement or estimate that have had a significant effect on the amounts recognised in the financial statements.

#### 3. Called-up share capital

	31 December 2016 £000	2 January 2016 £000
<b>Allotted, called-up and fully paid:</b>		
255,000 ordinary shares of £1 each	255	255
10 preferred US \$ shares of 0.1 cents each	-	-
	<u>255</u>	<u>255</u>

The preferred US \$ Shares have priority on a winding up or on a return of capital to receive repayment in full of the capital paid up and a further sum equal to 99.99% of the assets available for distribution to members. The holders of the Ordinary Shares are not entitled to any participation in the profits of the Company and on a winding up or other return of capital will receive the balance of assets remaining after distribution to the US \$ Shareholders.

# Central Counties Newspapers Limited

## Notes to the financial statements (continued) For the 52 week period ended 31 December 2016

### 4. Reserves

	31 December 2016 £000	2 January 2016 £000
Profit and loss account	255	255

Profit and loss account relates to accumulated gains and losses and is distributable.

### 5. Financial commitments and guarantees

#### Value added tax

The Company is registered for VAT purposes in a group of undertakings, which share a common registration number. As a result, it has jointly guaranteed the VAT liability of the group, and failure by other members of the group to meet their VAT liabilities would give rise to additional liabilities for the Company. At 2 January 2016 the total liability of the group amounted to £965,000 (2 January 2016: £2,088,000), which is substantially accounted for in Johnston Publishing Ltd.

#### Security

On 23 June 2014 Johnston Press plc completed its 'Capital Refinancing Plan' using the proceeds of an issue of new Placing Shares and Right Issue Shares (£140m) and a New Bond Issue (£220.5m) to repay all amounts outstanding to its previous Lenders. The Capital Refinancing Plan also involved Johnston Press plc entering into a New Revolving Credit Facility (£25m).

With effect from 23 June 2014, various subsidiary entities within the Group entered into new security arrangements in connection with the New Bonds and the New Revolving Credit Facility granting first ranking fixed and floating charges over its assets.

The New Revolving Credit Facility that was in place since 23 June 2014 was cancelled following the disposal completion of Johnston Publishing East Anglia Limited to Iliffe Media Limited (for a gross consideration of £17m), as announced on 17 January 2017.

Further details of the financing arrangements of Johnston Press plc and its subsidiaries are contained in the consolidated financial statements of Johnston Press plc to 31 December 2016 and the interim consolidated financial statements of Johnston Press plc to 1 July 2017.

At 1 July 2017 Johnston Press plc and its subsidiaries had total net debt of £118,577,000 (December 2016: £126,942,000 & 2 January 2016: £146,055,000).

### 6. Immediate and ultimate parent company

The immediate and ultimate parent company is Johnston Press plc, a company incorporated in the United Kingdom and registered in Scotland.

The only group in which the results of the Company are consolidated is that headed by Johnston Press plc. The financial statements of Johnston Press plc are available to the public and may be obtained from Johnston Press plc, Orchard Brae House, 30 Queensferry Road, Edinburgh EH4 2HS.

### 7. Post balance sheet events

The Group issued its interim results for the 26 week period ended 1 July 2017 on 2 August 2017. Refer to note 19 in those interim results for details of events that occurred after the balance sheet date. There are no other events requiring disclosure.