

RUSHOLMES (PRINTERS) LIMITED

**Directors' Report and Financial Statements
for the 52 weeks ended 25 December 2016**

TUESDAY



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COMPANIES HOUSE

DIRECTORS' REPORT

The directors present their report and the financial statements for the 52 weeks ended 25 December 2016.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company has not traded during the period.

DIRECTORS

The directors who served during the period are listed below

H Faure Walker

P Hunter

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 of 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 applied them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

This report was approved by the Board on 6 January 2017 and signed on its behalf.



N Carpenter
Joint Company Secretary

NOTES TO THE ACCOUNTS
For the 52 weeks ended 25 December 2016

	Note	2016 £	2015 £
CURRENT ASSETS			
Debtors	2	103,924	103,924
NET ASSETS		<u>103,924</u>	<u>103,924</u>
CAPITAL AND RESERVES			
Called up share capital	3	44,000	44,000
Capital reserve	4	63,334	63,334
Revenue reserve	4	(3,410)	(3,410)
TOTAL EQUITY		<u>103,924</u>	<u>103,924</u>

These annual accounts have not been audited because the company is entitled to the exemption provided by s480 of the Companies Act 2006 and its members have not required the company to obtain an audit for these accounts in accordance with s476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 on accounting records and the preparation of accounts.

The financial statements on pages 2 to 4 were approved by the Board on 6 January 2017 and signed on its behalf.



P Hunter
 Director

NOTES TO THE ACCOUNTS
For the 52 weeks ended 25 December 2016

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with FRS 102.

Accounting period

The balance sheets for 2016 and 2015 have been drawn up at 25 December 2016 and 27 December 2015 respectively.

Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities in terms that may be unfavourable.

When shares are issued, any component that creates a financial liability of the company or group is presented as a liability in the balance sheet measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement.

Cash flow statement

At 25 December 2016 the company was a wholly owned subsidiary and the consolidated financial statements in which the company is included are publicly available. Therefore, as a qualifying entity, a cash flow statement is not required under FRS 102.

2. DEBTORS

	2016	2015
	£	£
Due within one year:		
Amounts owed by group undertaking	103,924	103,924

3. CALLED UP SHARE CAPITAL

	2016	2015
	£	£
Authorised:		
60,000 ordinary shares of £1 each	60,000	60,000
40,000 deferred ordinary shares of £1 each	40,000	40,000
	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid:		
4,000 ordinary shares of £1 each	4,000	4,000
40,000 deferred ordinary shares of £1 each	40,000	40,000
	<u>44,000</u>	<u>44,000</u>

Deferred ordinary shares carry no voting rights. Rights to participate in the profits of the company are only available for deferred ordinary shareholders on the winding up of the company and are limited to the amount paid up on such shares.

NOTES TO THE ACCOUNTS
For the 52 weeks ended 25 December 2016

4. RESERVES

	2016 £	2015 £
Capital reserve		
At 25 December 2016 and 27 December 2015	63,334	63,334
Revenue reserve		
At 25 December 2016 and 27 December 2015	(3,410)	(3,410)

5. EMPLOYEES AND DIRECTORS

The company had no employees in 2016 (2015 – nil). Directors remuneration in 2016 was £nil (2015 - £nil).

6. RELATED PARTIES

The company is included in the consolidated financial statements of its ultimate parent company. These financial statements are publicly available, therefore, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosure of transactions with entities that are part of the group on the grounds that it is wholly owned.

7. ULTIMATE PARENT COMPANY

The company's ultimate parent and controlling company is Gannett Co., Inc., a company incorporated in the United States of America. The intermediate parent and controlling company in the United Kingdom is Gannett U.K. Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Gannett Co., Inc. comprise the largest group of which the company is a member that prepare consolidated financial statements. The annual report and consolidated financial statements of Gannett Co., Inc. can be obtained from the Secretary, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107.

GROUP ACCOUNTING

MEETING 20 MARCH 2017

PART 1 – COMPLIANCE

In attendance: - PH, NC, EB, KP, MB, DR

PENSIONS

STATUTORY ACCOUNTS / COMPANY SECRETARIAL

Dormant company strike offs:

1. 3 Panama companies – strike off paperwork filed. *CONFIRMED IN PROCESS LAWYERS ETC.*
2. There are currently 89 dormant entities remaining. Issues to clear include:
 - (i) HMRC clearance for CT, VAT and PAYE; *ALKA*
 - (ii) Review of any properties or employee's attached to the entity; and
 - (iii) Identification of ledger postings for entities not included in a consolidated region.

To date, filed capital reduction documents for 57 dormant entities. For 80 of the dormant entities, the deed of assignment, management accounts, and journals have been prepared.

2016 Statutory accounts:

1. Dormant entities signed and filed at Companies House with the exception of an odd few signed last week. Rusholme Printers to be resigned today.
2. 19 trading stats to prepare for 2016 + 3 LLP's:
 - Finalising statutory adjustments – share based payment file completed, tax to be agreed this week;
 - All accounts rolled forward and being updated for disclosures, to be finished this week;
 - NQ Capital, NQ Ltd, GUK, 2 LLPs drafted (no accounts required for LLC) – send to EY and Gannett on basis of no deficit rectification in 2016;
 - Aim to start drafting main trading accounts by mid next week;
 - Auditors undertaking further work on individual entities in April which may or may not result in further adjustments.
 - EY has resource booked to review the consol of group file in April and a team to review the stats in May.

2017 statutory accounts:

1. Following sign off of 2016 accounts in June, aim is to roll forward 2016 yr end files for 2017 and draft the accounts for those entities whose assets are transferring into NMG and Midlands South.

TAX COMPLIANCE

1. 2013 tax

- HMRC raised no queries by the enquiry deadline of 31 December 2015. Therefore all companies are closed with the exception of NMG.
- An amended estimated return for NMG was submitted in December 2015 including a protective claim for R&D relief. The amended final return for this period, including a tax repayment of £3,880, was submitted to HMRC on 29 February 2016. The enquiry window for this company will then remain open until the end of April 2017.
- The tax repayment has been offset against other PAYE tax liabilities which Peter Snow is investigating.

2. 2014 tax

- All 2014 returns were filed by the statutory deadline of 31 December 2015, therefore the enquiry window is open on these returns until 31 December 2016.
- A revised return for NMG, including an R&D tax repayment of £4,237 based on figures provided by Leyton, was submitted online to HMRC on 29 February 2016. Due to the resubmission of this return the enquiry window on NMG for 2014 will be extended to 30 April 2017.
- The tax repayment was received on 13 May.

3. 2015 tax

- *All tax returns for the UK group have now been submitted*
- All bar three of the Group's tax returns for the year were submitted by the filing deadline of 31 December 2016.
- *The last three returns covering Gannett UK Ltd, Newsquest Ltd and Newsquest Media Group Ltd were submitted in early March.*
- The late filing of each return has incurred a £100 late filing penalty, and extends the window for enquiry until 30 April 2018.

4. 2016 tax

- Completed taxpacks have now been received from all regions.
- Part 1 of the recharge file due to Gannett currently being completed. Inter-company balances to be included once statutory adjustments on consol of group file have been finalised (Due early April).

5. 2017 tax

- See comments under "Gannett Tax" below.

GANNETT TAX

1. The Q1 forecast is due to be submitted to the Gannett tax team *on 16 March.*
2. *We had a scoping call with the US tax team on 21 February. The US are trying to see if they can reduce the amount of detailed work we need to do for each quarter's tax workings.*

3. We are in the process of preparing a paper justifying our use of Johnston Press as a comparable for transfer pricing purposes, to support self assessment tax return for 2015.

OTHER TAX

A. VAT

1. Partial exemption calculation for 2016 to be completed.
2. Cycle to Work scheme – re-check that the regions are correctly accounting for VAT.
3. H&T online usage is more than 10% of composite supplier subscribers.
4. To get back to HMRC re composite supplies.
5. Error in Q4 2016 VAT return *declared to HMRC on form 652 in February and underpayment made good. We are awaiting HMRC reply re any potential penalties and surcharges.*

B. SUNDRY

1. HMRC business risk review – a meeting was held in December 2016 at which Newsquest was again rated “low risk”.
2. Tax strategy to be drafted in conjunction with US tax team by 31 December 2017.
3. US tax team considering whether to contact Deloitte and see whether anything can be undertaken to avoid us falling within the new hybrid mismatch rules (from January 2017 onwards all interest payable to GICI is not tax deductible in the UK).

Q1 REPORTING:

1. Medical provision rolled forward with formulae updated, and a leaver removed. Utilisation down by £13k from £58k in 2016 to £45k.
2. Leasehold provision files updated. Additional release of £148k due to Cannon Street being settled at lower than provisioned (£555k total – including expenses already incurred – compared to £703k total expected in Q4 2016). Discount rates point is with Jennifer.
3. Updated balance sheet commentary on leasehold provision to reflect US GAAP application of discount rates to AROs (i.e. the current discount rate is only used instead of the original rate when an upward revision to the provision takes place).
4. Bad debt provision on Sightline Media – about £40k.
5. Pelton Road NBV

PERFORMANCE

1. Pension FAS reporting change? Reporting changes that follow.
2. Forecasting model build for local use (BUD18/ RF317).
3. Tonnages to be built into forecasting model.
4. One database work – title and account code clear out (with AH).
5. Budget instruction planning, time table with PH, to be confirmed.

CAPEX/FORECAST/BUDGET ETC

1. 2017 Capex spend – process for sending approved capex details to Stacy.

BANKING

- Rationalisation of SUNs
- Open separate deposit accounts for tenant deposits previously received

CONTROLS/PROCEDURES

1. Sarbox questions to be updated.
 - Entity level controls/thresholds

- April: Sox q3 go through + updates
2. Finance manual and the FARM
3. Revenue recognition – call with Jennifer

SHARE INCENTIVE PLAN/OTHER SHARE PLAN

1. Barclays require documentation to name Solium Trustee (UK) Ltd.