

**NEWSQUEST MEDIA (SOUTH) LIMITED**

**Directors' Report and Financial Statements  
for the 52 weeks ended 28 December 2014**

THURSDAY

COMPANIES HOUSE



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COMPANIES HOUSE

**REPORT AND FINANCIAL STATEMENTS 2014**

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**STRATEGIC REPORT**

The directors present their strategic report for the 52 weeks ended 28 December 2014.

**PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE PROSPECTS**

The company has not traded during the period and thus no profit and loss account nor statement of total recognised gains or losses has been presented.

On 10 December 2014 a special resolution was passed to reduce the share capital of the company by the cancellation of £387,545 from the 5p ordinary shares and transfer this amount to distributable reserves.

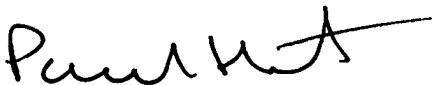
Since 10 December 2014 the company has been a dormant employing company and has continued not to trade. The directors expect this to continue.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company is a wholly owned subsidiary within the Gannett Co., Inc. group of companies. All of its material transactions are with fellow group undertakings and as such its activities are dependent on the activities of the Gannett Co., Inc. group of companies as a whole.

The risks and uncertainties facing the company are linked to those of the group. A discussion of the Group risks and uncertainties is contained in the group's annual report for Newsquest Media Group Limited.

This report was approved by the Board and signed on its behalf on 18 June 2015 by:

A handwritten signature in black ink, appearing to read 'P Hunter', with a long horizontal stroke extending to the right.

P Hunter

Director

## **DIRECTORS' REPORT**

The directors present their report and audited financial statements for the 52 weeks ended 28 December 2014.

### **RESULTS AND DIVIDENDS**

The profit on ordinary activities after taxation amounted to £130,000 (2013 – £nil).

There was a dividend of £908,417 during the year. (2013 – £nil). The directors do not recommend a final dividend (2013 – £nil).

### **DIRECTORS**

The directors who served during the period are listed below

P Davidson (resigned 11 November 2014)

H Faure Walker (appointed 1 April 2014)

P Hunter

### **DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The group maintains Director's and Officer's liability insurance for the directors during the course of their employment. The insurance will cover the directors' legal costs incurred in defending any proceedings brought by third parties. Such qualifying third party indemnity provision remains in place as at the date of approving the directors' report.

### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

Details of political and charitable contributions are contained in the directors' report and financial statements of Gannett U.K. Limited.

### **EMPLOYEE PARTICIPATION AND THE ENVIRONMENT**

The company places value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group and the company. Such communications are undertaken on a regional basis, and include consultation with staff via elected representatives on a Staff Council, the publication of regular newsletters and the regular meetings of directors and senior managers with staff throughout the period. There is a share incentive plan in place which is open to all employees.

The company is conscious of the importance of good environmental practices and strives to comply with all relevant regulations.

### **DISABLED PERSONS**

It is the policy of the company to consider the skills and aptitudes of disabled persons fully and fairly at all times in recruitment, career development, training and promotion. In pursuing this policy and having special concern for employees who become disabled, all practical measures are taken to ensure that disabled persons are placed in jobs suited to their individual circumstances.

### **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;
- state whether UK applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**DIRECTORS' REPORT (CONTINUED)**

**DIRECTORS' RESPONSIBILITIES (CONTINUED)**

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.

**GOING CONCERN**

The company's business activities, together with the factors likely to affect its future development and position, are set out above in the Strategic Report under the sections principal activities and review of the business.

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were members of the Board at the time of approving the directors' report are listed on page 2. Having made enquires of fellow directors and of the company's auditors, each of these directors confirm that:

- to the best of each directors' knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**AUDITORS**

Ernst & Young LLP are deemed to be reappointed in accordance with an elective resolution made under Section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report was approved by the Board and signed on its behalf on 18 June 2015 by:



N Carpenter  
Joint Company Secretary

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWSQUEST MEDIA (SOUTH) LIMITED**

We have audited the financial statements of Newsquest Media (South) Limited for the period ended 28 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. 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 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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' Report and financial statements 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 28 December 2014 and of its profit for the period 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 Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial period 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; 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.

*Ernst & Young LLP*

Philip Young (Senior Statutory auditor)  
for and on behalf of Ernst & Young LLP, London, Statutory Auditor  
Date

*19/6/15*

**PROFIT AND LOSS ACCOUNT**  
**52 weeks ended 28 December 2014 (note 1)**

	Note	2014 £'000	2013 £'000
Operating expenses	2	-	-
Amounts written off investments	2	(778)	-
<b>OPERATING LOSS</b>	2	<u>(778)</u>	<u>-</u>
Income from fixed asset investments	3	908	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>130</u>	<u>-</u>
Tax charge on profit on ordinary activities	4	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	<u><u>130</u></u>	<u><u>-</u></u>

All the company's activities were in respect of continuing operations.

There were no recognised gains or losses for the period or the preceding period, other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

**NEWSQUEST MEDIA (SOUTH) LIMITED**  
Company Registration No. 1622542

**BALANCE SHEET**  
**28 December 2014 (note 1)**

	Note	£'000	2014 £'000	2013 £'000
<b>FIXED ASSETS</b>				
Investments	5		-	778
<b>CURRENT ASSETS</b>				
Debtors	6	-		935
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	-	(935)	
<b>NET CURRENT ASSETS</b>			-	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			-	778
<b>CAPITAL AND RESERVES</b>				
Called up share capital	8		-	387
Profit and loss account	10		-	391
<b>SHAREHOLDERS' FUNDS</b>	10		-	778

The financial statements on pages 5 to 10 were approved by the Board on 18 June 2015 and signed on its behalf.



P Hunter  
Director



**NOTES TO THE ACCOUNTS**

**For the 52 weeks ended 28 December 2014**

**1. ACCOUNTING POLICIES**

**Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**Accounting period**

The profit and loss accounts cover the 52 weeks from 30 December 2013 to 28 December 2014 and 52 weeks from 31 December 2012 to 29 December 2013. The balance sheets for 2014 and 2013 have been drawn up at 28 December 2014 and 29 December 2013.

**Income from fixed asset investments**

Income from fixed asset investments comprises dividends from group undertakings, which are included in revenue in the period in which the company's right to receive payment is established.

**Investments**

Investments held as fixed assets are stated at cost, less provision, if appropriate, for any impairment in value other than a temporary impairment in value.

The carrying value of investments is reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**Group accounts and cash flow statement**

The company is exempt from preparing Group financial statements under Section 401 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking. Accordingly, these financial statements present information about the company and not its Group. A cash flow statement is not required under Financial Reporting Standard 1 (revised), as the company is a wholly owned subsidiary and the group's financial statements are publicly available (note 13).

**2. OPERATING LOSS**

	2014 £'000	2013 £'000
The operating loss is stated after charging:		
Amounts written off investments	778	-

In the current year recharges for audit services for the entire Gannett U.K. Limited group totalling £278,000 (2013 - £267,000) were borne by Newsquest Media Group Limited.

**3. INCOME FROM FIXED ASSET INVESTMENTS**

	2014 £'000	2013 £'000
Dividends from group undertakings	908	-

**4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES**

	2014 £'000	2013 £'000
Analysis of charge in the period:		
Current tax:		
UK corporation tax at 21.5% (2013 - 23.25%)	-	-

# NEWSQUEST MEDIA (SOUTH) LIMITED

## NOTES TO THE ACCOUNTS

For the 52 weeks ended 28 December 2014

### 4. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax charge for the period is the same as the standard rate of corporation tax in the UK. The differences are explained below:

	2014 £'000	2013 £'000
<b>Analysis of charge in the period:</b>		
Profit on ordinary activities before taxation	130	-
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%)	28	-
Non taxable income net of expenses not taxable	(28)	-
	-	-

Tax losses arising within the Gannett U.K. Limited group of companies are relieved amongst group companies. The principal factor that may affect tax charges in future periods is the basis on which tax losses are allocated within the group and the rate (if any) at which the company pays for those losses.

The enacted rate with effect from 1 April 2015 is 20%.

The company does not have any deferred tax provided or unprovided.

### 5. INVESTMENTS

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 28 December 2014 and 29 December 2013	935
<b>Provisions</b>	
At 30 December 2013	157
Investments write off	778
At 28 December 2014	935
<b>Net Book Value</b>	
At 28 December 2014	-
At 29 December 2013	778

During the year, the company's subsidiaries distributed up £908,417 to Newsquest Media (South) Limited, reducing their net assets by £908,417. Following the distributions the company has reflected a reduction in the value of its investment in subsidiary undertakings of £778,000.

Investments comprise 100% direct holding of the issued ordinary share capital of the following dormant companies, at 28 December 2014:

Billington & Wright Ltd*	Newsquest (East London & West Essex) Ltd
Essex County Newspapers Ltd**	Newsquest (Hertfordshire & Middlesex) Ltd
Mega Suburban Printing Ltd	Newsquest (Lancs Free) Ltd
Morgan Truman Publications Ltd	South London Guardian Ltd
News Shopper Ltd	Bromley Property News Ltd
Newsquest (Buckinghamshire & West London) Ltd	The Croydon Property News Ltd

\* Also comprises 100% direct holding in the preference share capital

\*\* Also comprises 100% holding in the deferred share capital

In addition, the company has a 50% direct holding in the issued ordinary share capital of This is Essex Limited, at 28 December 2014.

# NEWSQUEST MEDIA (SOUTH) LIMITED

## NOTES TO THE ACCOUNTS For the 52 weeks ended 28 December 2014

### 6. DEBTORS

	2014 £'000	2013 £'000
<b>Due within one year</b>		
Amounts owed by group undertakings	-	935

### 7. CREDITORS

	2014 £'000	2013 £'000
<b>Amounts falling due within one year</b>		
Amounts owed to group undertakings	-	935

### 8. CALLED UP SHARE CAPITAL

	2014 £	2013 £
<b>Authorised</b>		
9,500,000 ordinary shares of 5p each	475,000	475,000
<b>Allotted, called up and fully paid</b>		
20 ordinary shares of 5p (2013- 7,750,969)	1	387,546

On 10 December 2014 a special resolution was passed to reduce the share capital of the company by the cancellation of £387,545 from the 5p ordinary shares and to transfer this amount to distributable reserves.

### 9. DIVIDENDS

	2014 £'000	2013 £'000
<b>Dividends made during the year:</b>		
Interim for 2014: £45,420.85 per share (2013: £nil)	908	-

### 10. RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £'000	Profit and loss account £'000	Total £'000
As at 29 December 2013 and 30 December 2012	387	391	778
Capital reduction	(387)	387	-
Profit for the period	-	130	130
Dividend (see note 9)	-	(908)	(908)
As at 28 December 2014	-	-	-

On 10 December 2014 a special resolution was passed to reduce the share capital of the company by the cancellation of £387,545 from the 5p ordinary shares and transfer this amount to distributable reserves.

### 11. EMPLOYEES AND DIRECTORS

In both 2014 and 2013 the costs of staff employed by the company were borne by a fellow subsidiary company. Directors remuneration for qualifying services in 2014 was £nil (2013 - £nil). All emoluments and pension payments made by related companies to directors are dealt with in the accounts of Newsquest Media Group Limited.

**NOTES TO THE ACCOUNTS**

**For the 52 weeks ended 28 December 2014**

**12. 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.

**13. 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.