Company Registration No. 06894628 (England and Wales)

NEWSPAPER CLUB LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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NEWSPAPER CLUB LTD

COMPANY INFORMATION

Directors	M Sharman J Sharman A Ward G Williams
Company number	06894628
Registered office	c/o Sharman & Co Ltd Newark Road Peterborough Cambridgeshire PE1 5TD
Accountants	Stephenson Smart & Co 36 Tyndall Court Commerce Road Lynchwood Peterborough Cambridgeshire PE2 6LR
Business address	Room 103 South Block 58-60 Osbourne Street Glasgow G1 5QH

NEWSPAPER CLUB LTD

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NEWSPAPER CLUB LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities
The principal activity of the company continued to be that of the printing of newspapers.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Sharman	
J Sharman	
T Taylor	(Resigned 18 April 2017)
A Ward	
G Williams	

Statement of 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 apply them consistently;
- make judgements and accounting 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 has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

M Sharman
Director
29 September 2017

NEWSPAPER CLUB LTD

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	**3**		734		4,626
Tangible assets	**4**		100,155		132,602
			100,889		137,228
Current assets					
Debtors	**5**	44,329		84,783	
Cash at bank and in hand		160,504		143,943	
		204,833		228,726	
Creditors: amounts falling due within one year	**6**	(91,533)		(95,482)	
Net current assets			113,300		133,244
Total assets less current liabilities			214,189		270,472
Creditors: amounts falling due after more than one year	**7**		(99,740)		(104,720)
Net assets			114,449		165,752
Capital and reserves					
Called up share capital	**8**		3,000		3,000
Profit and loss reserves			111,449		162,752
Total equity			114,449		165,752

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

NEWSPAPER CLUB LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 29 September 2017 and are signed on its behalf by:

M Sharman
Director

Company Registration No. 06894628

1 Accounting policies

Company information

Newspaper Club Ltd is a private company limited by shares incorporated in England and Wales. The registered office is c/o Sharman & Co Ltd, Newark Road, Peterborough, Cambridgeshire, PE1 5TD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Newspaper Club Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2016. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	33% Straight Line

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website development	33% Straight Line
Fixtures, fittings & equipment	33% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments being the share capital issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The company operates defined contribution schemes for the benefit of its employees. Contributions payable are charged to the profit and loss in the year they are payable.

1.13 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets.

1 Accounting policies **(Continued)**

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 10 (2015 - 8).

3 Intangible fixed assets

	Patents
	£
Cost	
At 1 January 2016 and 31 December 2016	20,588
Amortisation and impairment	
At 1 January 2016	15,962
Amortisation charged for the year	3,892
At 31 December 2016	19,854
Carrying amount	
At 31 December 2016	734
At 31 December 2015	4,626

4 Tangible fixed assets

	Website costs	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	219,801	13,885	233,686
Additions	39,048	11,184	50,232
At 31 December 2016	258,849	25,069	283,918
Depreciation and impairment			
At 1 January 2016	88,289	12,797	101,086
Depreciation charged in the year	77,950	4,727	82,677
At 31 December 2016	166,239	17,524	183,763
Carrying amount			
At 31 December 2016	92,610	7,545	100,155
At 31 December 2015	131,513	1,089	132,602

5 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	28,845	38,590
Corporation tax recoverable	3,469	32,369
Other debtors	12,015	13,824
	44,329	84,783

6 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	70,232	74,179
Corporation tax	22	-
Other taxation and social security	11,985	5,773
Other creditors	9,294	15,530
	91,533	95,482

7 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Other creditors	99,740	104,720

On 18 February 2013, the company received a convertible loan of £99,740 from Sharman Retirement Fund, a fund related to M Sharman, a director in the company. It is convertible to shares at a price of £2.56 per share for 38,961 shares. Interest is charged on this loan at 4.5%. In the period interest of £4,488 was paid to Sharman Retirement Fund.

8 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
300,000 Ordinary shares of 1p each	3,000	3,000

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods	
	2016	2015
	£	£
Sharman & Company Ltd	540,698	290,865

At the year end, the company owed Sharman and Company Ltd £31,210 (2015: £36,171). M Sharman and J Sharman are directors of Sharman and Company Ltd.

In addition, a dividend of £18,000 (2015: £22,084) was paid to Sharman Holdings Ltd.

10 Directors' transactions

Dividends totalling £6,000 (2015 - £7,362) were paid in the year in respect of shares held by the company's directors.