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02 - 08 - 95

REGISTRAR OF
COMPANIES

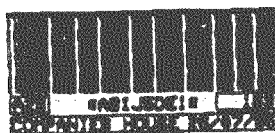
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Press Complaints Commission

Report and Financial Statements

Year ended

31 December 1994



IBDO

IBDO Stay Hayward
Chartered Accountants

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Annual report and financial statements for the year ended 31 December 1994

Contents

Directors

Page:

1	Board of directors and members
2	Notice of extraordinary general meeting
3	Report of the directors
5	Report of the auditors
6	Income and expenditure account
7	Balance sheet
8	Notes forming part of the financial statements

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02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)**Board of directors and members****Board of directors and members**

Jenny Brown	
Lady Browne-Wilkinson	(appointed April 1995)
Iris Burton	
Lady Elizabeth Cavendish LVO JP	
The Rt Hon Lord Colnbrook PC KCMG	(resigned December 1994)
Sir Brian Cubbon	(appointed April 1995)
Baroness Dean of Thornton-le-Fylde	
Dame Mary Donaldson CBE JP	(resigned December 1994)
Geoffrey Elliott	(appointed February 1995)
Sir David English	
Brian Hitchen CBE	(resigned February 1995)
Gerald Isaacs	(resigned February 1995)
Dr Angus MacIntyre MA DPhil FRHS	(deceased December 1994)
The Rt Hon Lord McGregor of Durris	(resigned December 1994)
George McKechnie	(resigned December 1994)
Keith Parker OBE	(resigned February 1995)
Prof Robert Finker BSc(Soc) MSc(Econ)	
Peter Preston	(resigned November 1994)
Prof Lesley Ross MD DSC FRCP FRCPath	(resigned December 1994)
Baroness Smith of Gilmorhill	(appointed April 1995)
The Lord Tordoff	(appointed April 1995)
Derek Tucker	(appointed February 1995)
The Rt. Hon. Lord Wakeham	(appointed January 1995)
David Williams	(appointed February 1995)

Secretary

Mark Bolland

Business address and registered office

1 Salisbury Square, London, EC4Y 8AE.

Company number

02538908

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Notice of annual general meeting

Notice is hereby given that an annual general meeting of The Press Complaints Commission will be held at 1 Salisbury Square on 26 July 1995 at 2.30 pm for the following purposes:

- 1 To receive and adopt the report of the directors and the financial statements for the year ended 31 December 1994, together with the report of the auditors.
- 2 To re-appoint the auditors, BDO Stoy Hayward.
- 3 To authorise the directors to determine the remuneration of the auditors.
- 4 To transact any other business of the Commission.

By order of the Board

M W Bolland

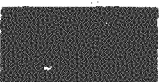


Secretary

June 1995

Note:

Members who are entitled to attend and vote are entitled to appoint a proxy to attend and vote on their behalf. The person so appointed need not be a member of the company.



02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Report of the directors for the year ended 31 December 1994

The directors present their report together with the audited financial statements for the year ended 31 December 1994.

Results

There was an excess of expenditure over income of £38,262 (1993 - £36,969) for the year, which will be carried forward.

The results do not include the value of free advertising space donated to the Commission by the newspaper industry.

Principal activities of the Commission

The objects of the Commission are to consider, adjudicate, conciliate and resolve or settle by reference to the Code of Practice promulgated by The Press Standards Board of Finance Limited, complaints from the public of unjust or unfair treatment by newspapers, periodicals or magazines.

Future activities

In the coming year the commission will continue to further its objects with funds provided to it by the Press Standards Board of Finance Limited.

Fixed assets

The changes in fixed assets during the year are set out in note 7.

Directors' interests

The directors who have served during the year, are also the Commission members, as shown on page 1. They have all undertaken to contribute such amounts as may be required, not exceeding £1, to the Commission's assets if it should be wound up.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

02538908

02-08-95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Report of the directors for the year ended 31 December 1994 (Continued)

Directors' responsibilities (continued)

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether 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.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 1985. 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.

Auditors

Following their admission on 1 October 1994 as the United Kingdom representatives of BDO International our auditors have changed their name to BDO Stoy Hayward with effect from that date. BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

M W Holland 

Secretary

Date 19 July 1995

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)**Report of the auditors****To the shareholders of Press Complaints Commission (Limited by guarantee)**

We have audited the financial statements on pages 6 to 11 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on pages 3 and 4 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31 December 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
London

19 July 1995

02538908

02 - 08 - 95**PRESS COMPLAINTS COMMISSION (Limited by guarantee)****Income and expenditure account for the year ended 31 December 1994**

	Note	1994 £	1993 £
Income	2	986,000	1,020,000
Administrative expenses		1,028,425	1,060,764
Operating deficit	3	(42,425)	(40,764)
Interest receivable		4,163	3,795
Deficit on ordinary activities		(38,262)	(36,969)
Retained deficit brought forward		(49,790)	(12,821)
Retained deficit carried forward		(88,052)	(49,790)

All amounts relate to continuing activities.

All recognised gains and losses are included in the income and expenditure account.

The notes on pages 8 to 11 form part of these financial statements

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Balance sheet at 31 December 1994

	Note	1994		1993	
		£	£	£	£
Fixed assets					
Tangible assets	7		31,035		54,333
Current assets					
Cash at bank		51,278		-	
Debtors	8	11,160		20,871	
		62,438		20,871	
Creditors: amounts falling due within one year	9	181,525		124,994	
Net current liabilities			(119,087)		(104,123)
Total net liabilities			(88,052)		(49,790)
Capital and reserves					
Accumulated deficit			(88,052)		(49,790)

The financial statements were approved by the Board on 19 July 1995

The Rt Hon Lord Wakeham)
) Directors
 Sir David English)

Wakeham
David English

The notes on pages 8 to 11 form part of these financial statements

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 1994

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Income

The income of the Commission is made up from contributions received from the Press Standards Board of Finance Limited.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except freehold land, over their expected useful lives. It is calculated at the following rates:

Furniture and equipment	-	20% per annum
Computer equipment	-	33 1/3% per annum

Leased assets

Annual rentals under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

2 Income

	1994	1993
	£	£
Press Standards Board of Finance Limited contribution	986,000	1,020,000

3 Operating deficit

This is stated after charging:

Depreciation of own assets	25,622	29,214
Hire of assets under operating leases:		
Land and buildings	45,000	45,000
Other	13,124	12,980
Auditors' remuneration for audit services	10,575	9,988

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 1994 (Continued)

4 Employees

	1994 Number	1993 Number
The average weekly number of employees during the year was as follows:		
Office staff	13	14
Staff costs (including directors) consist of:		
	£	£
Wages and salaries	453,183	412,418
Redundancy costs	73,667	68,800
Social security costs	41,824	38,402
Other pension costs	18,820	33,287
	<u>587,554</u>	<u>552,907</u>

5 Directors' remuneration

Commissioners' stipends	70,000	56,000
Chairman's remuneration - salary	54,888	53,750
- compensation for loss of office	70,000	-
	<u>194,888</u>	<u>109,750</u>

6 Taxation

As a result of tax losses incurred, no provision for corporation tax has been made in respect of the results for the year (1993 - £Nil). Tax losses of £21,000 are available to set off against future profits, subject to Inland Revenue agreement.

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 1994 (Continued)

7 Tangible assets

	Computer equipment £	Office furniture and equipment £	Total £
<i>Cost</i>			
At beginning of year	29,321	97,205	126,526
Additions	-	2,324	2,324
	<hr/>	<hr/>	<hr/>
At end of year	29,321	99,529	128,850
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of year	19,771	52,422	72,193
Provided for the year	5,716	19,906	25,622
	<hr/>	<hr/>	<hr/>
At end of year	25,487	72,328	97,815
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 1994	3,834	27,201	31,035
	<hr/>	<hr/>	<hr/>
At 31 December 1993	9,550	44,783	54,333
	<hr/>	<hr/>	<hr/>

8 Debtors

	1994 £	1993 £
Other debtors	5,879	2,785
Prepayments and accrued income	5,281	18,086
	<hr/>	<hr/>
	11,160	20,871
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

02538908

02 - 08 - 95

PRESS COMPLAINTS COMMISSION (Limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 1994 (Continued)

9 Creditors: amounts falling due within one year

	1994 £	1993 £
Bank loans and overdrafts	-	3,334
Taxation and social security	45,331	14,874
Accruals and deferred income	136,194	106,786
	<u>181,525</u>	<u>124,994</u>

10 Obligations under operating leases

The following amounts fall due within one year under leases which expire:

	Land and buildings £	Other £	Total £
In 2 - 5 years	45,000	13,231	58,231
	<u>45,000</u>	<u>13,231</u>	<u>58,231</u>