

15852

Mutual Societies Annual Return

AR 30 – Industrial and Provident Societies Act 1965 Form



Full name of society

CO-OPERATIVE PRESS LIMITED

Secretary Full Name

RAYMOND HENDERSON

Email Address

ray@coopuk.com

Telephone No.

0191 2701065

Important information you should read before completing this form

We require all Industrial and Provident societies to complete this form every year.

For a society registered on or after 8 January 2012, the year of account will end on the last day of the month in which the anniversary of its registration falls, unless the society has notified us otherwise. For a society registered before 8 January 2012, the society's year of account must end between 31 August to 31 January inclusive, unless the society has notified us otherwise.

All the required information must be submitted within seven months of the year end date. Failure to submit the documents constituting your society's annual return by the due date is an offence and may result in prosecution.

Please keep a copy of the form and the supporting documents for future reference.

The notes that accompany this form will help you complete the questions.

Please be aware that any personal details you give on the form will be placed on the society's public file.

It is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your annual return.

Terms in this form and Contents

'FSA', 'we' and 'us' refer to the Financial Services Authority.

'You' refers to the person signing the form on behalf of the society.

2	Statistics	7
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FSA use only		
	Date Received	Case Officer
1st		
2 nd		

Mutual Societies Annual Return



FSA

AR 30 – Industrial and Provident Societies Form

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print out the completed form and arrange for it to be signed.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you think a question is not relevant to you, write 'not applicable' and explain why.

5 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will have to treat the return as incomplete. This will increase the time taken to assess your return.

6 If there is not enough space on the form, you may need to use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number.

7 Send us your application by post. It must include:

- this form;
- a set of printed accounts;
- an audit report or accountant's report where appropriate (or a supplementary return); and
- supporting documents.

Send it to:

**Mutuals Team
The Financial Services Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS**

1

Details of society

1.1 Details of the society

Register number	1585R
Registered office address	Co-operative Press Limited, Holyoake House, Hanover Street, MANCHESTER,
Postcode	M60 0AS

1.2 Year end date (dd/mm/yyyy)

Unless otherwise authorised, the society's period end must be between 31 August and 31 January inclusive

2	8	/	0	2	/	2	0	1	2
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Committee of management

If you are a club you do not need to give a year of birth in questions 1.3-1.6.

The names of the members of the Committee at the date on which the return is signed should be entered below in BLOCK CAPITALS.

1.3 Details of Chairman

Name	J E Holmes
Address	12 Rosetta Park Belfast , Northern Ireland
Postcode	BT6 0DS
Year of birth	1940
Business occupation and other directorships	Retired Director Glenall Housing Ltd

1.4 Details of Treasurer

Name	
Address	
Postcode	
Year of birth	yyyy
Business occupation and other	

directorships	
---------------	--

1.5 Details of Secretary

Name	Raymond Henderson
Address	23, The Crescent, Longbenton, Newcastle upon Tyne
Postcode	NE7 7ST
Year of birth	04 07 1946
Business occupation and other directorships	Company Secretary Nemco Ltd and North East Music Co-operative. Director of IAC, Director Co-operative Group Ltd

1.6 Details of Members of the Committee

Name	Address	Year of birth	Business occupation and other directorships
M Alder	Bubblewell Barn, Bubblewell Lane, Minchinhampton, Glos GL6 9AS	1947	Retired Director Co-operatives UK
James King	380, Lower Broughton Road, Salford, Manchester, M7 2HW	1952	Local Councillor in Salford
Jenny Barnes	54 Bromyard Road St Johns Worcester WR2 5DA	1963	Civil Servant Director Co- operative Group
Elaine Dean	9, Bath Road, Mickleover, Derby, DE3 9BW	1951	Retired Teacher Director:- Supporters Direct Ltd
Chris Fegan	46, Corporation Road, Chelmsford, CM1 2AR	1959	Political Advisor Councillor at Chelmsford Council
Terry Morton	Green Loaning, Eden Terrace, Durham, DH1 2HJ	1946	Company Secretary

David Pownell	2 Manor Lane Penwortham Preston Lancashire PR1 0SY	1957	Plastering Contractor Director of Co- operative Group Ltd.
Geraint Day	10, Southampton Street, Swindon SN1 2JS	1954	Policy Advisor Director:- Co-op Party Ltd
Margaret Tranter	67, Nightingale Crescent, Lincoln, LN6 0JP	1947	Director Lincolnshire Co-operatives Ltd
Richard Bickle	19, Prestwood Road, Birmingham, B29 5EB	1978	Freelance Co-operative Researcher
John Boot	75, Walsall Road, Kingshill, Wednesbury, WS10 9JU	1947	Retired

Please use separate sheets of paper if you need more space.
Please indicate how many separate sheets of paper you have used.

One Sheet

All societies must answer the following questions whether the answers are yes or no, and provide all other information requested

1.7 Does the society take deposits (excluding withdrawable shares) within the provisions of the Financial Services and Markets Act 2000?

No

1.8 Does the society hold deposits (excluding withdrawable shares) taken previously, even though it does not currently take them, within the provisions of the Financial Services and Markets Act 2000?

No

1.9 Is the society a subsidiary of another society?

No

1.10 Does the society have one or more subsidiaries?

No

1.11 Is the society currently accepted by the Inland Revenue as a charity for tax purposes?

No ▶ Continue to question 1.12

Reference number of letter from Inland Revenue or the Scottish Charity number

You must confirm that you have attached a copy of the
Inland Revenue's letter to this return

☐ Yes

1.12 Is the society registered with the Tenant Services Authority, Welsh Ministers or The Scottish Housing Regulator?

No ▶ Continue to question 1.14

Tenant Services Authority

☐ Welsh Ministers

☐ The Scottish Housing Regulator

Register number

1.13 Is the society a registered social landlord?

No

1.14 Does the society offer any insurance products?

No

1.15 Does the society undertake residential mortgage business?

No

1.16 Name of any organisation to which the society is affiliated

Name	
------	--

2

Statistics

We can use these figures in our Annual Report.

Account details

2.1 You must enter the figures below

See notes for help on items E-T

Enter NIL where applicable

A	Members at beginning of year	303
B	Members ceased during year	3
C	Members admitted during year	12
D	Members at end of year	312
E	Turnover for year	311,365
F	Total of income and expenditure (receipts and payments added together)	(9,921)
G	Net surplus/(deficit) for year	4,357
H	Fixed assets	131,394
I	Current assets	354,367
J	Total assets (equal to amount in row O, below)	485,761
K	Current liabilities	39,044
L	Share capital	61,729
M	Long-term liabilities	-----
N	Reserves	384,988
O	Total liabilities (K+L+M+N) (equal to amount in J above)	485,761
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other Industrial and Provident societies	403,370
Q	Loans from members	Nil
R	Loans from Employees' Superannuation Schemes	Nil
S	Dividends on sales	Nil;
T	Share interest	Nil

2.2 Names of subsidiaries as defined in Section 15 of the Friendly and Industrial and Provident Societies Act 1968

2.3 Names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions (as approved by the FSA)

The society must have written authority from us to exclude a subsidiary from group accounts

3

The audit

3.1 Type of audit used for the attached accounts.

If the society has used a full professional audit or an accountant's report then the report must be prepared by a registered auditor.

Full professional audit

▶ Continue to section 4

3.2 Do the society's registered rules allow the society not to undertake a full professional audit?

- ☐ No
☐ Yes

3.3 Has the membership passed at general meeting, in accordance with section 4A(2) of the Friendly and Industrial and Provident Societies Act 1968, a resolution allowing the society not to undertake a full professional audit for the year of account in question?

- ☐ No
☐ Yes

If you have answered yes to 3.2 and 3.3, you can disapply the requirement to conduct a full audit.

4 Accounts and signature

Accounts

- 4.1 Date on which the accounts and balance sheet will be/were laid before the AGM (dd/mm/yyyy)

2	6	/	0	5	/	2	0	1	2
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- 4.2 Does your society have to produce accounts to the minimum standard required?


Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members.

YES Attached

Signature – all societies to complete

- 4.3 The Secretary of the society must sign and date below

I certify that the information in this form is to the best of my knowledge and belief, Correct.

Name	Raymond Henderson
Signature	
Date	28/09/2012

Registration number 1585R

Co-operative Press Limited
Directors' report and financial statements
for the year ended 29th February 2012



Co-operative Press Limited

Society information

Directors	E Holmes (Chair)	- Elected by members of Co-operative Press Ltd
	E Dean (Vice-Chair)	- Midlands Co-operative Society
	J Barnes	- Co-operative Group Board
	D Pownall	- Co-operative Group Board
	J King	- Co-operative Group - Regional Representative
	T Morton	- Co-operative Group - Regional Representative
	J Boot	- The Midcounties Co-operative
	M Tranter	- Lincolnshire Co-operative Society
	R Bickle	- Co-opted to the Board
	C Fegan	- Co-opted to the Board
Secretary	R Henderson	
Society number	1585R	
Registered office	Holyoake House Hanover Street Manchester M60 0AS	
Auditors	Robinsons Design Works William Street Felling Tyne and Wear NE10 0JP	
Bankers	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP	

Co-operative Press Limited

Agenda for the 2012 Annual General Meeting

Annual General Meeting to be held at 4:00pm on Saturday 26 May 2012 in the Scott Bader Room at Co-operatives UK, Holyoake House, Hanover Street, Manchester, M60 0AS.

1. Minutes of the 2011 Annual General Meeting.
2. Directors' Report for the year ended 29 February 2012.
3. Auditors' Report and Financial Statements for the year ended 29 February 2012.
4. Dividend on Share Capital - to consider and, if thought fit, to approve the following resolution: "It is resolved that no dividend be paid on share capital for the year ended 29 February 2012".
5. Directors' Fees - to consider and, if thought fit, to approve the following resolution: "It is resolved that the directors' fees remain at the same level for the next twelve months, namely: Chair - £600 per annum, Other Directors - £500 per annum".
6. Reappointment of Auditors - to consider and, if thought fit, to approve the following resolution: "It is resolved that Robinsons be reappointed as auditors of the Society to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at which financial statements are laid before the Society at a remuneration to be fixed by the directors".
7. Resolution and amendments:-

Co-operative Press Limited

Minutes of the 2011 Annual General Meeting

held at 5:15pm on Saturday 25 June 2011 in the Norfolk Suite at
Hilton Metropole Hotel, National Exhibition Centre, Birmingham, B40 1PP.

1. E Holmes took the chair and announced the requisite quorum was present.
2. **Minutes of the 2010 Annual General Meeting**
IT WAS RESOLVED THAT the minutes of the Annual General Meeting held on 26 June 2010 be accepted as a correct record.
3. **Directors' Report for the year ended 28 February 2011**
IT WAS RESOLVED THAT the report of the directors for the year ended 28 February 2011, now laid before the meeting, be received and approved.
4. **Auditors' Report and Financial Statements for the year ended 28 February 2011**
IT WAS RESOLVED THAT the report of the auditors and the financial statements for the year ended 28 February 2011, now laid before the meeting, be received and approved.
5. **Dividend on Share Capital**
IT WAS RESOLVED THAT no dividend be paid for the year ended 28 February 2011.
6. **Directors' Fees**
IT WAS RESOLVED THAT the directors' fees are to remain at the same level for the following year.

The following amendment to Agenda Item 6 had been received:-

"Add at end"

"subject to a Code of Conduct based on Best Practice being produced regarding Directors responsibilities, collectively and individually, to members, including communication with members."

The directors accepted the spirit of the amendment and it was agreed that the Co-operatives UK Code of Best Practice would be implemented in respect of the points raised by the amendment.

7. **Reappointment of Auditors**
IT WAS RESOLVED THAT the resolution to reappoint Robinsons as auditors of the society and to hold office until the conclusion of the next Annual General Meeting at which financial statements are laid before the society at a remuneration to be fixed by the directors be approved."
8. **Resolution and amendments**
 1. "That Rule 31e be deleted". Proposer: George Conchie

Rule 31e states: "At its discretion, the Board may co-opt two additional directors." The Board did not accept this amendment and it was rejected by the meeting.
 2. "That all directors of Press Board shall be individual members". Proposer: George Conchie

The Board accepted the sentiment of the amendment but were advised that under the rules the society could not impose an individual membership requirement on Board members who were appointed by the Corporate Members of Co-operative Press. The Board did not accept this amendment and it was rejected by the meeting.
9. There being no further business the chairman declared the meeting closed

Co-operative Press Limited

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Co-operative Press Limited

Directors' report for the year ended 29 February 2012

The directors present their report and the financial statements for the year ended 29 February 2012.

Principal activity

The principal activities of the society, together with other relevant information, is recorded in the Statement of Aims section of these financial statements.

Directors

The directors who served during the year are as stated below:

E Holmes (Chair)	- Elected by members of Co-operative Press Ltd
E Dean (Vice-Chair)	- Midlands Co-operative Society
M Alder	- The Midcounties Co-operative
J Boot	- The Midcounties Co-operative
J Barnes	- Co-operative Group Board
D Pownall	- Co-operative Group Board
J King	- Co-operative Group - Regional Representative
T Morton	- Co-operative Group - Regional Representative
M Tranter	- Lincolnshire Co-operative Society
G Day	- Co-opted to the Board
C Fegan	- Co-opted to the Board
R Bickle	- Co-opted to the Board

M Alder acted as Vice-Chair until his resignation in June 2011 when E Dean took up that role. J Boot was appointed in June 2011 and G Day retired in June 2011. Following last year's elections we co-opted two individual members (C Fegan and R Bickle who were both appointed in September 2011) with special knowledge of smaller co-operatives, publishing and research. We maintain a policy of leaving editorial judgements to our professional editor but an editorial subcommittee has been appointed to deal with any matters he may wish to refer to us. A staffing subcommittee has also been appointed to deal with succession and recruitment. Our accountancy service is provided by Co-operatives UK and our society secretary is R Henderson.

Business review

After two successive years of reporting a loss it is a relief to be reporting a small profit in the year that we celebrated 140 years of continuous publication. While the problems created by our loss of the traditional food advertising have not been overcome we have been able to increase the advertising and sponsorship from the movement and the bulk purchasing of papers has continued to sustain us. There has been no significant increase in individual subscriptions and we did not proceed with the experiment in sales to the public through store sales. Our funds invested in other co-operative societies continue to bring us a useful income.

Strategy for Change

Since the Report of the Co-operative Commission 2001 we have been following the advice of the Commission to broaden the editorial content of The News "so that it encompasses and supports the wider movement". We have tried to do this with two full time journalists (Dave Bowman and Anthony Murray) and three specialist regular freelance writers (Paul Gosling (finance), Kevin McGrother (the social economy) and Susan Press (profiles of co-operators)). Following our submission to the Co-operative Group National Values and Principles Committee to secure funding for the next three years of our development we have recruited a Website Curator, a Sales and Marketing Manager for the wider co-operative sector and an Operative to run the International Co-operative Alliance e-digest. It is now possible to read The News online on the day of publication and we continue to develop online expansion of our news service. We are especially mindful of the fact the new Co-operative Group headquarters building will be a paperless office.

Directors' report for the year ended 29 February 2012

..... continued

International Year for Co-operation 2012

We have been privileged to provide a service to the international movement during this important year and we are confident that we will continue to play a permanent role in providing a worldwide news service.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Industrial and Provident Society 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). Also under that 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 society and of the profit or loss of the society for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply 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 society will continue in business.

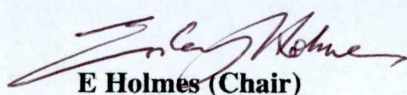
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

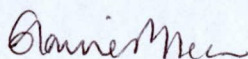
- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

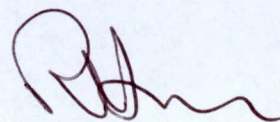
This report was approved by the Board on 26 April 2012 and signed on its behalf by



E Holmes (Chair)
Director



E Dean (Vice-Chair)
Director



R Henderson
Secretary

Independent auditor's report to the members of Co-operative Press Limited

We have audited the financial statements of Co-operative Press Limited for the year ended 29 February 2012 which comprise the Revenue Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the society's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditors' 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 society and the society'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 pages 1 - 3, 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 (APB'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 society'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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 29 February 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Industrial and Provident Societies Act 1965 to 2002.

**Independent auditor's report to the members of
Co-operative Press Limited**

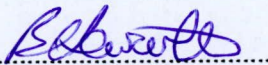
Opinion on other matter prescribed by the Industrial and Provident Societies Act 1965 to 2002.

In our opinion the information given in the Directors' Report for the financial year 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 Industrial and Provident Societies Act 1965 to 2002 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; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small societies regime.



**Bryan Howarth BSc ACA (senior statutory auditor)
For and on behalf of Robinsons
Chartered Accountants and
Registered Auditors**

Dated: 26 April 2012

**Design Works
William Street
Felling
Tyne and Wear
NE10 0JP**

Co-operative Press Limited

**Revenue account
for the year ended 29 February 2012**

		Continuing operations	
		2012	2011
	Notes	£	£
Turnover	2	311,365	273,068
Cost of sales		(232,689)	(223,626)
		<hr/>	<hr/>
Gross profit		78,676	49,442
Administrative expenses		(88,597)	(73,887)
		<hr/>	<hr/>
Operating loss	3	(9,921)	(24,445)
Other interest receivable & similar income		14,278	16,191
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		4,357	(8,254)
Tax on profit/(loss) on ordinary activities		-	-
		<hr/>	<hr/>
Profit/(loss) for the year	13	4,357	(8,254)
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 11 form an integral part of these financial statements.

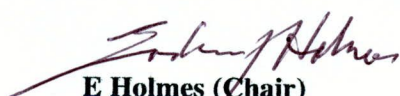
Co-operative Press Limited


Balance sheet as at 29 February 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	7		6,353		9,765
Investments	8		125,041		324,683
			<u>131,394</u>		<u>334,448</u>
Current assets					
Debtors	9	28,571		26,212	
Investments	10	278,329		52,313	
Cash at bank & in hand		47,467		67,592	
		<u>354,367</u>		<u>146,117</u>	
Creditors: amounts falling due within one year	11	(39,044)		(38,485)	
Net current assets			<u>315,323</u>		<u>107,632</u>
Total assets less current liabilities			446,717		442,080
Net assets			<u>446,717</u>		<u>442,080</u>
Capital and reserves					
Called up share capital	12		61,729		61,449
Profit & loss account	13		384,988		380,631
Shareholders' funds			<u>446,717</u>		<u>442,080</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small societies.

The financial statements were approved by the Board on 26 April 2012 and signed on its behalf by


E Holmes (Chair)
Director


E Dean (Vice-Chair)
Director


R Henderson
Secretary

The notes on pages 7 to 11 form an integral part of these financial statements.

Co-operative Press Limited

Notes to the financial statements for the year ended 29 February 2012

..... continued

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The society has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small society.

1.2. Turnover

Turnover in respect of sales of the Co-op News is accounted for on an accruals basis. Turnover in respect of advertising and sponsorship represents the amounts invoiced for spaces reserved in the Co-op News during the year and is recognised as income when the advert is featured in the publication. All income is shown exclusive of value added tax.

1.3. Tangible fixed assets & depreciation

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures & office equipment	-	20% straight line
Motor vehicles	-	25% straight line

1.4. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value. Current asset investments are at the lower of cost and net realisable value. Investment income is accounted for on an accruals basis.

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the society during the year.

1.6. Deferred taxation

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.7. Financial instruments

Financial instruments are classified and accounted for, according to the substance of contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Co-operative Press Limited

Notes to the financial statements for the year ended 29 February 2012

2. Turnover

The total turnover of the society for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

2012	2011
£	£

Operating loss is stated after charging:

Depreciation and other amounts written off tangible assets	4,643	5,466
Auditors' remuneration (Note 4)	5,650	5,400

4. Auditors' remuneration

2012	2011
£	£

Auditors' remuneration - audit of the financial statements	4,000	3,800
Auditors' remuneration - other fees:		
- taxation services	1,650	1,600
	5,650	5,400

5. Directors' remuneration

2012	2011
£	£

Directors' fees	3,534	3,100
Meeting expenses	6,816	8,536
	10,350	11,636

6. Pension costs

The society operates a defined contribution pension scheme in respect of 2 (2011 - 2) members of staff. The scheme and its assets are held and administered separately by C.I.S. The pension charge represents contributions due from the society and amounted to £7,477 (2011 - £6,709). Included in this amount is an amount of £228 (2011 - £228) representing continuing payments granted by the Board of Directors. Additionally, a Group Stakeholder Pension is available to all current staff members, also administered by C.I.S., but with no employer contributions payable.

Co-operative Press Limited

Notes to the financial statements for the year ended 29 February 2012

..... continued

7. Tangible fixed assets	Fixtures & office equipment	Motor vehicles	Total
Cost	£	£	£
At 1 March 2011	42,576	13,806	56,382
Additions	1,231	-	1,231
Disposals	(23,446)	-	(23,446)
At 29 February 2012	20,361	13,806	34,167
Depreciation			
At 1 March 2011	34,604	12,013	46,617
On disposals	(23,446)	-	(23,446)
Charge for the year	2,850	1,793	4,643
At 29 February 2012	14,008	13,806	27,814
Net book values			
At 29 February 2012	6,353	-	6,353
At 28 February 2011	7,972	1,793	9,765

8. Fixed asset investments	Co-op Group shares	Gilsland Spa Limited loan	Chelmsford Star Co-op Society Ltd	Other Industrial & Provident Society shares	Total
	£	£	£	£	£
Cost					
At 1 March 2011	14,379	200,000	100,000	10,304	324,683
Additions	-	-	-	358	358
Transfer to Current Assets	-	(200,000)	-	-	(200,000)
At 29 February 2012	14,379	-	100,000	10,662	125,041
Net book values					
At 29 February 2012	14,379	-	100,000	10,662	125,041
At 28 February 2011	14,379	200,000	100,000	10,304	324,683

9. Debtors	2012	2011
	£	£
Trade debtors	20,840	18,238
Other debtors	7,731	7,974
	28,571	26,212

Co-operative Press Limited

Notes to the financial statements for the year ended 29 February 2012

..... continued

10. Current asset investments	2012	2011
	£	£
Co-operative Group Limited - Corporate Investor Shares (at call)	28,329	52,313
Co-operative Group Limited - Corporate Investor Shares (fixed)	50,000	-
Loan to Gilsland Spa Limited (unsecured)	200,000	-
	278,329	52,313

The loan to Gilsland Spa Ltd attracts interest at 4% p.a. and is due for repayment on 20 January 2013.

11. Creditors: amounts falling due within one year	2012	2011
	£	£
Trade creditors	10,159	8,611
V.A.T.	4,054	1,074
Social security & other taxes	4,954	4,722
Accruals & deferred income	19,877	24,078
	39,044	38,485

12. Share capital	2012	2011
	£	£
At 1 March 2011	61,449	59,299
Movement during the year - net	280	2,150
	61,729	61,449

All of the above shares represent equity shares. Shares are transferable but not withdrawable.

From the date of the society's incorporation until 29 July 2004 the society's members were corporate members only. The nominal value of the shares until that date was £0.10 per share with a minimum shareholding of five shares and a maximum shareholding as permitted by law. After 29 July 2004 membership was also offered to individuals. The nominal value of the shares after this date was £10.00 per share with a minimum shareholding of one share and a maximum shareholding as permitted by law.

Each member is entitled to one vote by virtue of membership, one vote for every £50 or part thereof of share capital and one vote for every £100 or part thereof of purchases made from the society for the previous year calculated in line with regulations laid down by the directors from time to time.

If in the event of a solvent winding up of the society there remain, after all liabilities have been settled and the repayment of paid-up share capital, any assets whatsoever, such assets will be transferred to one or more societies in membership with Co-operatives UK Limited having the same or similar rule provisions as regards surplus distribution as the rules of the society as may be determined by the members at any ordinary or special meeting. If not so transferred, the assets will be transferred to Co-operatives UK Limited.

Co-operative Press Limited

Notes to the financial statements for the year ended 29 February 2012

..... continued

13. Reserves

	Revenue account £	Total £
At 1 March 2011	380,631	380,631
Profit for the year	4,357	4,357
At 29 February 2012	<u>384,988</u>	<u>384,988</u>

14. Related party transactions

The society's members include consumer co-operative societies and trade unions who, in aggregate, own the majority of shares with rights attaching as described in Note 12. Due to the nature of the society's operations, transactions take place with these organisations at arms length on normal trading terms.

The society's members include Co-operative Group Limited. The total sales to Co-operative Group Limited during the year was £151,059 (2011 - £147,468). At the balance sheet date an amount of £8,441 (2011 - £8,307) remained recoverable and is included within debtors.

The society's also trades with its other members. The total sales to other members during the year was £101,529 (2011 - £61,459). At the balance sheet date an amount of £6,408 (2011 - £2,953) remained recoverable and is included within debtors.

Financial Reporting Standards relevant to the society require disclosure of any entity which exercises significant control over the society. For this purpose, significant control represents 20% or more of the voting rights. Co-operative Group Limited has voting rights of 59% (2011 - 65%) although votes are cast by Co-operative Group Regions on an individual basis the largest of which is 11% (2011 - 11%).

The Board of Directors comprises four representatives nominated from Co-operative Group Limited and one nominated from Co-operatives UK Limited. In addition, there are six other possible appointments who are selected by ballot based on voting rights allocated in accordance with the Rules.

Co-operatives UK Limited provides accounting services to the society. The fee for the year was £24,100 (2011 - £23,310). The balance owed by and to Co-operatives UK Limited at the balance sheet date were £14 and £3,296 respectively (2011 - £987 and £2,702 respectively) and are included within debtors and creditors respectively.

Co-operative Press Limited

The following pages do not form part of the statutory financial statements.

Co-operative Press Limited

Detailed trading profit and loss account and expenses schedule for the year ended 29 February 2012

	2012		2011	
	£	£	£	£
Turnover				
Co-operative News sales		163,583		150,174
Advertising & sponsorship		147,171		122,447
Other income		611		447
		<u>311,365</u>		<u>273,068</u>
Cost of sales				
Printing costs	84,898		81,862	
Other direct costs	7,513		9,188	
Wages & salaries	119,822		114,165	
Social security	12,240		11,380	
Staff pension scheme costs	7,249		6,481	
Other personnel expenses	967		550	
		<u>(232,689)</u>		<u>(223,626)</u>
Gross profit		<u>78,676</u>		<u>49,442</u>
Administrative expenses				
Pensioner retirement allowance	228		228	
Directors' fees	3,534		3,100	
Rent & rates	9,591		8,826	
Insurance	5,546		5,102	
Co-op domain names (website)	640		140	
Internet costs	11,824		1,915	
Repairs & renewals	181		42	
Maintenance contracts	1,109		1,575	
Postage	515		580	
Stationery	461		1,033	
Telephone	321		368	
Computer costs	117		280	
Motor expenses	941		1,266	
Legal & professional fees	25,760		23,310	
Auditors' remuneration	4,000		3,800	
Other auditor fees	1,650		1,600	
Bank charges	516		530	
Board meeting expenses	3,072		4,606	
Other meeting expenses	3,744		3,930	
Staff expenses	6,070		4,716	
General expenses	3,374		1,495	
Charitable donations	30		-	
Subscriptions	730		(21)	
Depreciation of fixed assets	4,643		5,466	
		<u>(88,597)</u>		<u>(73,887)</u>
Operating loss		<u>(9,921)</u>		<u>(24,445)</u>

Co-operative Press Limited

**Detailed trading profit and loss account and expenses schedule
for the year ended 29 February 2012**

	2012		2011	
	£	£	£	£
Other income and expenses				
Interest receivable				
Bank & other interest receivable	<u>14,278</u>		<u>16,191</u>	
		<u>14,278</u>		<u>16,191</u>
Net profit/(loss) for the year		<u><u>4,357</u></u>		<u><u>(8,254)</u></u>