

**NLA MEDIA ACCESS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2015**

# NLA MEDIA ACCESS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2015

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The directors present the strategic report and financial statements for the year ended 31 December 2015.

#### Review of the business

NLA media access limited licenses content from 253 UK and international newspaper, magazine and newswire publishers plus 21 foreign collective management organisations; earning copyright royalties for the reproduction of their print and web content. It licenses organisations that reproduce newspaper content: media monitoring agencies (providing press and web cuttings services), public relations consultancies, private and public sector organisations that monitor press media coverage. NLA charges a fee for its licences, based on the type and volume of reproduction and the size of the organisation; it retains a percentage of the licence fee to cover its administration and development costs and pays the balance to the publishers. NLA media access licences are not exclusive, as these 'secondary publishing' rights can also be obtained directly from publishers, but the company provides a convenient 'collective management' service which benefits publishers and users of content. NLA also operates a searchable database of published content - eClips - which receives content directly from publishers and makes it available to media monitoring organisations to create press cuttings services for their clients. It is estimated that eClips now provides over 90% of the clips from 'news brands' served to UK-based media monitoring clients through 32 agencies in the UK. International clients also receive the content through the eClips International service, now serving 19 agencies around the world.

#### Risks facing the business

In the short term it is prudently assumed that, despite an improving economy, licensees will continue to focus on reducing their media monitoring costs. NLA has enjoyed a stable workforce over many years; as with many smaller businesses, high levels of staff turnover could impact activities in 2016. The media monitoring market saw consolidation in 2014 and 2015, which could continue in the year ahead. The success of new database services for monitoring agencies and publishers will depend upon their positioning against other services in the market place.

In the medium term there is a risk that monitoring of print edition content may be replaced by monitoring of web content at a faster rate than anticipated in our business planning; or that publications may be closed and therefore be unavailable to license. These risks are mitigated by the expansion in content repertoire and development of new licences and services to meet demand.

In the longer term, there is a risk that legislation at UK government or EU level could have a detrimental effect on copyright licensing. Although there is always potential for legislative changes to have unforeseen consequences, we believe that the risk is low, as the UK government understands well the value of effective copyright and the role of effective licensing in supporting the creative sector of the economy.

#### Development and performance of the business during the financial year

2015 was the second full year of licensing the print and web edition content of magazine publishers. This was the principal engine of growth in the year, contributing over £5m to licensing sales; but earnings for national and regional newspaper publishers also saw increases over the previous year. Net royalties paid to all publishers were £34.2m an increase of 12%.

During the course of the year, the number of magazine publishers represented increased from 190 to 203 and 460 new titles were added to the licensing repertoire. The content made available on the eClips service also grew, with the addition of 103 magazine titles and a further 2 regional newspapers, bringing the total number of publications on the database to 1,150. In addition, 172 web titles are now available on the eClips Web platform. A further 8 French newspapers were added to the Distre Presse service operated for Centre Francais du droit du Copie (CFC), which now provides 43 titles to the French monitoring market.

886 new licences were sold during 2015, bringing the total number of corporate end user licences in issue to 9,807 at the year end. Education sector licensing sales are outsourced to the Copyright Licensing Agency, which increased by 11% to £2.4m.

New database services to serve publishers and media monitoring agencies were developed during the year. An upgraded ClipShare service used by 7,000 press journalists was launched in 2015. An Online Article Tracking Service (OATS) created and managed by NLA, was adopted by an additional publisher, bringing the total to 6 publishers. OATS monitors republishing of their content by unauthorised users and enables appropriate action.

# NLA MEDIA ACCESS LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### Key performance indicators

NLA has monitored its performance through 2015 and its progress on its overall strategy by reference to the following KPIs:

KPI	2015	2014	Definition, method of calculation and analysis
Turnover	£40.1m	£37.2m	Turnover in 2015 is 8% higher than in 2014. This increase has come from growth in magazine licensing and a general increase in media monitoring in the corporate market.
Licensing royalties	£34.2m	£30.5m	NLA distributes licensing royalties to publishers. Royalty distributions in 2015 were 12% higher than in 2014.
Licensing royalties	79%	79%	NLA retains a % of licensing fees and service charges, to cover its administration, and pays the balance of royalties to publishers.
Debtors days	36	30	The NLA licence requires payment within 30 days of invoice and credit control processes are used to ensure adherence to this licence term.

#### Position of the company at the end of 2015 and prospects for 2016

The company ended 2015 with a strong licensee base, an increased repertoire of publications to represent, and clearly defined plans to develop revenues for all publishers.

The range of database services will continue to be broadened in 2016 to meet the changing needs of media monitoring agencies and publishers, implementing technological developments, protecting publishers' rights over their content and responding to client demand.

The development of eClips and eClips Web will continue, as magazine publications, regional titles and international content is added to the database.

During the year, investment will be made in the business systems that support sales and administration to ensure business continuity and to improve efficiency.

By order of the board



A J Moole

Secretary

17/3/16

# NLA MEDIA ACCESS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2015

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The directors present their annual report and financial statements for the year ended 31 December 2015.

#### Principal activities

NLA media access limited represents the intellectual property rights of prominent publishing brands in the UK – 3,600 newspaper and magazine print titles plus 2,100 web titles – in the media monitoring market. The company also operates a database providing services to media monitoring agencies and publishers, containing 65 million articles from print and web publications. The combination of licensing and database services provided by NLA media access enables UK and international businesses to access published content in an efficient and copyright-compliant way.

#### Directors

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

A W Bannister	
M S Ellice	
A C Parker	(Resigned 18 June 2015)
S G Cassidy	
R Hahn	
Z R Leonard	
F L McKenna	(Appointed 12 January 2015)
E Higgins	(Resigned 10 July 2015)
A Nash	
S Hanbury	
T S Brooks	
D Pugh	
B MacArthur	
B McCarthy	
A Horton	(Resigned 31 December 2015)
R M J Ashton	(Appointed 31 July 2015)
J T Mann	(Appointed 14 July 2015)
O L Meredith	(Appointed 20 January 2016)

#### Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Charitable donations

During the year the company made a donation of £100,000 (2014: £100,000) to the Journalism Diversity Fund. The company continues to set aside an element of licence fee income for charitable purposes. The company made no political donations in the year.

#### Auditor

At the annual general meeting held on 14 November 1996 the members invoked section 379A of the Companies Act by passing an elective resolution as permitted by section 386 of the Act, to dispense with the obligation to appoint auditors annually.

# NLA MEDIA ACCESS LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

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### Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



A J Moore

Secretary

17/3/16

# NLA MEDIA ACCESS LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT

### FOR THE YEAR ENDED 31 DECEMBER 2015

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The directors are responsible for preparing the Strategic Report and the Directors' 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NLA MEDIA ACCESS LIMITED

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We have audited the financial statements on pages 7 to 21. 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), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 5, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

## 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 31 December 2015 and of its profit for the year 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 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 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.

*RSM UK Audit LLP*

Nicholas Sladden (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

United Kingdom

*24 March 2016*

# NLA MEDIA ACCESS LIMITED

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	40,090,987	37,164,892
Cost of sales		(33,790,697)	(31,062,914)
<b>Gross profit</b>		6,300,290	6,101,978
Administrative expenses		(6,222,718)	(6,032,035)
<b>Operating profit</b>	4	77,572	69,943
Interest receivable and similar income	8	62,276	59,926
Interest payable and similar charges	9	(56,381)	(69,263)
<b>Profit on ordinary activities before taxation</b>		83,467	60,606
Taxation	10	(13,514)	4,000
<b>Profit for the financial year</b>		69,953	64,606
<b>Total comprehensive income for the year</b>		69,953	64,606

The income statement has been prepared on the basis that all operations are continuing operations.




**NLA MEDIA ACCESS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	11	203,845		163,315	
Investments	12	2		2	
		<u>203,847</u>		<u>163,317</u>	
<b>Current assets</b>					
Debtors	14	5,248,013		5,566,314	
Investments	15	2,000,000		4,500,000	
Cash at bank and in hand		7,157,660		4,737,297	
		<u>14,405,673</u>		<u>14,803,611</u>	
<b>Creditors: amounts falling due within one year</b>	16	(14,299,721)		(13,763,769)	
Net current assets		<u>105,952</u>		<u>1,039,842</u>	
<b>Total assets less current liabilities</b>		<u>309,799</u>		<u>1,203,159</u>	
<b>Creditors: amounts falling due after more than one year</b>	17	-		(963,313)	
<b>Net assets</b>		<u>309,799</u>		<u>239,846</u>	
<b>Capital and reserves</b>					
Called up share capital	20	8		8	
Profit and loss reserves		309,791		239,838	
<b>Total equity</b>		<u>309,799</u>		<u>239,846</u>	

The financial statements were approved by the board of directors and authorised for issue on 17/3/16 and are signed on its behalf by:

  
 T S Brooks  
 Director

  
 D Pugh  
 Director

**NLA MEDIA ACCESS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2014</b>	8	175,232	175,240
<b>Period ended 31 December 2014:</b>			
Profit and total comprehensive income for the year	-	64,606	64,606
<b>Balance at 31 December 2014</b>	8	239,838	239,846
<b>Period ended 31 December 2015:</b>			
Profit and total comprehensive income for the year	-	69,953	69,953
<b>Balance at 31 December 2015</b>	8	309,791	309,799

# NLA MEDIA ACCESS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

		2015		2014 (restated)	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23	1,500,068		2,117,938	
Interest paid		(56,381)		(69,263)	
Taxes paid		(4,283)		-	
<b>Net cash inflow from operating activities</b>		<b>1,439,404</b>		<b>2,048,675</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(212,099)		(84,565)	
Proceeds on disposal of tangible fixed assets		5,850		-	
Decrease/(increase) in sums held on long term deposit		2,500,000		(500,000)	
Interest received		62,276		59,926	
<b>Net cash generated from/(used in) investing activities</b>		<b>2,356,027</b>		<b>(524,639)</b>	
<b>Financing activities</b>					
Repayment of loan stock		(1,375,068)		(345,121)	
<b>Net cash used in financing activities</b>		<b>(1,375,068)</b>		<b>(345,121)</b>	
<b>Net increase in cash and cash equivalents</b>		<b>2,420,363</b>		<b>1,178,915</b>	
Cash and cash equivalents at beginning of year		4,737,297		3,558,382	
<b>Cash and cash equivalents at end of year</b>		<b>7,157,660</b>		<b>4,737,297</b>	

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1 Accounting policies

##### Company information

NLA media access limited is a limited company domiciled and incorporated in England and Wales. The registered office is Mount Pleasant House, Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1HJ.

The company's principal activities are disclosed in the Directors' Report.

##### Accounting convention

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

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

These financial statements are the first financial statements of NLA media access limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of NLA media access limited for the year ended 31 December 2014 were prepared in accordance previous UK GAAP.

At 1 January 2014, the date of transition from previous UK GAAP to FRS 102, there was no effect on the company equity. At 31 December 2014, the date of the comparative period previously reported under previous UK GAAP, there was no transitional effect on the company equity or company profit and loss. Therefore, comparative figures did not need to be restated as there were no transition adjustments identified.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP.

Under FRS 102, the Statement of Cash Flows presents changes in cash and cash equivalents (including cash in hand, deposits repayable on demand and short-term, highly liquid investments), showing changes arising from operating activities, investing activities and financing activities separately. Under previous UK GAAP, the Cash Flow Statement presented changes in cash (including cash in hand and deposits repayable on demand) under the headings of operating activities, returns on investments and servicing of finance, taxation, capital expenditure and financial investment, acquisitions and disposals, equity dividends paid, management of liquid resources, and financing.

##### Consolidation

The financial statements present information about the company as an individual undertaking and not about its group. The company has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the company's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

##### Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Turnover

Licensing revenue is recognised upon inception of a licence to reproduce media content. Revenue from overseas royalty collecting societies is recognised upon receipt of details of publisher attribution. Revenue from data access is recognised in the period for which it is due.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1 Accounting policies (continued)

##### **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:

Leasehold improvements	over the term of the lease
Fixtures, fittings and equipment	over 3 to 10 years

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 recognised in the income statement.

##### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

##### **Financial instruments**

Financial instruments are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument. The company has elected to apply the provisions of section 11 'Basic Financial Instruments' of FRS102 to all its financial instruments. Financial instruments are classified into specific categories and the classification depends on the nature and purpose of the instruments and is determined at the time of recognition. The NLA's financial instruments are categorised as basic financial instruments.

##### **Financial assets**

Basic financial assets, which include trade and other receivables 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.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1 Accounting policies (continued)

##### Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

##### Equity instruments

Equity instruments 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.

##### Taxation

The tax expense represents the sum of the current tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

##### 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.

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.

##### Retirement benefits

The company operates a defined contribution pension scheme with pensions provided under an insurance company scheme. Contributions payable by the company are charged to the Statement of Total Comprehensive Income as they accrue.

##### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 3 Turnover

An analysis of the company's turnover is as follows:

	2015 £	2014 £
<b>Turnover</b>		
Licensing royalties	37,059,073	34,001,176
Database	3,031,914	3,163,716
	<u>40,090,987</u>	<u>37,164,892</u>
 <b>Other significant revenue</b>		
Interest income	<u>62,276</u>	<u>59,926</u>

#### Turnover analysed by geographical market

	2015 £	2014 £
United Kingdom	<u>40,090,987</u>	<u>37,164,892</u>

#### 4 Operating profit

Operating profit for the year is stated after charging:

	2015 £	2014 £
Depreciation of owned tangible fixed assets	171,569	158,355
Profit on disposal of tangible fixed assets	(5,850)	-
Cost of sales	33,790,697	31,062,914
Operating lease charges	<u>267,505</u>	<u>206,747</u>

#### 5 Auditors' remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the company's financial statements	<u>11,600</u>	<u>10,600</u>
<b>For other services</b>		
Taxation compliance services	3,800	1,520
All other non-audit services	<u>33,182</u>	<u>15,330</u>
	<u>36,982</u>	<u>16,850</u>

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
Management	7	7
Sales	20	21
Production	19	19
Administration	8	8
Business development	3	3
	<u>57</u>	<u>58</u>

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	2,869,138	2,819,759
Social security costs	336,982	335,410
Pension costs	118,348	110,585
	<u>3,324,468</u>	<u>3,265,754</u>

#### 7 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	284,309	273,713
Company pension contributions to defined contribution schemes	-	1,230
	<u>284,309</u>	<u>274,943</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2014 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	246,435	236,047
Company pension contributions to defined contribution schemes	-	1,230
	<u></u>	<u></u>



# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

<b>8</b>	<b>Interest receivable and similar income</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Interest on bank deposits	62,276	59,926

Interest on financial assets is not measured at fair value through profit or loss.

<b>9</b>	<b>Interest payable and similar charges</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on other loans	56,381	69,263

<b>10</b>	<b>Taxation</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	10,000	(4,000)
	Adjustments in respect of prior periods	3,514	-
	Total current tax	13,514	(4,000)
	Total tax charge	13,514	(4,000)

The charge for the year can be reconciled to the profit per the income statement as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit before taxation	83,467	60,606
Expected tax charge based on a corporation tax rate of 20.00%	16,693	12,121
Tax effect of expenses that are not deductible in determining taxable profit	17,138	(5,813)
Capital allowances in excess of depreciation	(20,317)	(10,308)
Tax expense for the year	13,514	(4,000)

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2015	219,197	2,508,868	2,728,065
Additions	80,294	131,805	212,099
Disposals	(94,014)	(177,824)	(271,838)
At 31 December 2015	205,477	2,462,849	2,668,326
<b>Depreciation and impairment</b>			
At 1 January 2015	185,446	2,379,304	2,564,750
Depreciation charged in the year	38,383	133,186	171,569
Eliminated in respect of disposals	(94,014)	(177,824)	(271,838)
At 31 December 2015	129,815	2,334,666	2,464,481
<b>Carrying amount</b>			
At 31 December 2015	75,662	128,183	203,845
At 31 December 2014	33,751	129,564	163,315

#### 12 Fixed asset investments

	Note	2015 £	2014 £
Investments in subsidiaries	13	2	2

#### Movements in fixed asset investments

	Shares £
<b>Cost or valuation</b>	
At 1 January 2015 & 31 December 2015	2
<b>Carrying amount</b>	
At 31 December 2015	2
At 31 December 2014	2

#### 13 Subsidiaries

These financial statements are separate company financial statements for NLA media access limited.

The company owns the entire share capital of The Newspaper Licensing Agency Limited which was incorporated in England on 13 May 1998 and has not traded since its incorporation. The net assets of the company as at 31 December 2015 and at 31 December 2014 amounted to £2.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 14 Debtors

	2015 £	2014 £
<b>Amounts falling due within one year:</b>		
Trade debtors	3,987,799	3,874,016
Prepayments and accrued income	1,260,214	1,692,298
	<u>5,248,013</u>	<u>5,566,314</u>

#### 15 Current asset investments

	2015 £	2014 £
Cash on deposit	<u>2,000,000</u>	<u>4,500,000</u>

Bank deposits

The company held assets in a money market account at the balance sheet date.

#### 16 Creditors: amounts falling due within one year

	2015 £	2014 £
Corporation tax payable	9,231	-
Other taxation and social security	508,223	452,806
Trade creditors	11,750,754	10,493,485
Loan stock	258,743	670,498
Accruals and deferred income	1,772,770	2,146,980
	<u>14,299,721</u>	<u>13,763,769</u>

Included within accruals are outstanding pension contributions of £9,448 (2014: £Nil).

Unsecured loan stock of £258,743 is due for repayment on or before 31 December 2016. It is not repayable by instalments. Interest accrues at 3% per annum above bank base rate.

#### 17 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Loan stock	<u>-</u>	<u>963,313</u>

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

18 Financial instruments	2015 £	2014 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	14,327,732	14,507,829
Equity instruments measured at cost less impairment	2	2
	<u>14,327,734</u>	<u>14,507,831</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>12,805,267</u>	<u>13,032,276</u>

### 19 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to the Statement of Total Comprehensive Income in respect of defined contribution schemes was £118,348 (2014 - £110,585).

### 20 Share capital

	2015 £	2014 £
<b>Ordinary share capital</b>		
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Issued and fully paid</b>		
8 Ordinary shares of £1 each	<u>8</u>	<u>8</u>

The company has one class of ordinary share which carry no right to fixed income. The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 21 Operating lease commitments

##### Lessee

Operating lease payments represent rentals payable by the company for certain of its properties. Leases are negotiated for an average term of 5 years and rentals are fixed for an average of 5 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	307,314	166,732
Between two and five years	1,134,850	-
	<u>1,442,164</u>	<u>166,732</u>

#### 22 Related party transactions

##### Remuneration of key management personnel

The remuneration of directors and managers who are considered to be key management personnel, is as follows.

	2015 £	2014 £
Aggregate compensation	<u>1,031,467</u>	<u>982,902</u>

No guarantees have been given or received.

One share in the company is held by each of Associated Newspapers Limited, Express Newspapers, The Financial Times Limited, Guardian News & Media Limited, MGL2 Limited, News UK & Ireland Limited, Telegraph Media Group Limited, and Independent Print Limited. The 8 shareholders have each given NLA a mandate to grant licences to third parties for the reproduction of newspaper content and to collect licence income from those third parties.

Express Newspapers and MGL2 Limited each hold £85,000 of Unsecured Loan Stock which is repayable under the terms stated in note 16 to the financial statements. MGL2 Limited holds further Unsecured Loan Stock totalling £88,743. This loan stock is repayable under the terms stated in note 16 to the financial statements.

During the year, interest of £56,381 was paid as follows: Associated Newspapers Limited £12,984; Express Newspapers £2,975; Guardian News & Media Limited £12,843; MGL2 Limited £6,081; News UK & Ireland Limited £10,484 and The Financial Times Limited £11,014.

The royalties payable by the company to publisher shareholders during the year ended 31 December 2015 were £17,362,292 (2014: £16,147,392). Of this amount £3,140,520 (2014: £2,599,965) was unpaid at 31 December 2015. Non royalty invoices to publisher shareholders in the year totalled £191,227 (2014: £169,100) with £6,441 (2014: £11,086) unpaid at 31 December 2015.

# NLA MEDIA ACCESS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 22 Related party transactions (continued)

B McCarthy is also a director of Archant Group companies. The royalties payable to Archant Group companies during the year ended 31 December 2015 were £644,505 (2014: £609,806). Of this amount £95,016 (2014: £85,759) was unpaid at 31 December 2015.

23 Cash generated from operations	2015 £	2014 (restated) £
Profit for the year	69,953	64,606
<b>Adjustments for:</b>		
Income tax expense recognised in profit or loss	13,514	(4,000)
Finance costs recognised in profit or loss	56,381	69,263
Investment income recognised in profit or loss	(62,276)	(59,926)
Gain on disposal of tangible fixed assets	(5,850)	-
Depreciation of tangible fixed assets	171,569	158,355
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	318,301	(1,504,970)
Increase in creditors	938,476	3,394,610
<b>Cash generated from operations</b>	<b>1,500,068</b>	<b>2,117,938</b>