

Company number: 09655520

# IMPRESS: The Independent Monitor for the Press CIC

Report and financial statements  
For the year ended 31 March 2021

# IMPRESS: The Independent Monitor for the Press CIC

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### For the year ended 31 March 2021

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## IMPRESS: The Independent Monitor for the Press CIC

### Reference and administrative details

For the year ended 31 March 2021

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<b>Status</b>	The organisation is a Community Interest Company limited by guarantee, incorporated on 24 June 2015 in the United Kingdom	
<b>Company number</b>	09655520	
<b>Registered office and operational address</b>	16-18 New Bridge Street LONDON, EC4V 6AG	
<b>Directors</b>	Deborah Arnott Cordella Bart-Stewart Debrah Harding Shelina Janmohamed David Leigh Walter Merricks CBE David Robinson Pam Vick Andrea Wills	(appointed 13 July 2020) (appointed 13 July 2020)   Chair
<b>Bankers</b>	TSB Bank plc. Henry Duncan House 120 George Street EDINBURGH EH2 4LH	
<b>Solicitors</b>	Bindmans 236 Gray's Inn Road LONDON WC1X 8HB	
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane LONDON EC1Y 0TL	

**Directors' annual report**

**For the year ended 31 March 2021**

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The directors present their report and the audited financial statements for the year to 31 March 2021.

## The Directors and their Interests

The directors who served during the period were as follows:

- Deborah Arnott
- Cordella Bart-Stewart (appointed 13 July 2020)
- Debrah Harding (appointed 13 July 2020)
- Shelina Janmohamed
- David Leigh
- Walter Merricks CBE Chair
- David Robinson
- Pam Vick
- Andrea Wills

All serving directors are members of the company and their liability in the event of winding up is limited to their guarantee of £1 each.

## Principal Activities and Review

IMPRESS aims to build public trust in news through the promotion of high standards and ethical practices which ensure audiences receive truthful, accurate and reliable information. We do this by operating as an independent press regulator, media standards setter and dispute resolution service provider. Our Royal Charter approved regulation scheme awards publishers with a trust in journalism mark that represents a commitment to high standards of journalism, responsive complaints handling and legal redress.

IMPRESS has continued to build on its approved regulator status. During the year 31 new publishers joined our regulatory scheme, taking the number of regulated titles to 180, reaching 16 million unique visitors each month and 0.6 million readers in print. We assessed 38 complaints, published a further eight adjudications, issued two advisory notices and commenced two multi-issue assessments, one of which has so far led to an investigation being undertaken on IMPRESS's own initiative. We did not receive any further requests for arbitration during the year.

We have contributed to a number of government consultations and parliamentary inquiries and spoke at conferences, seminars and symposiums. We continued to engage with Government over Online Harms legislation and its impact on regulated journalism. We appeared before the All Party Parliamentary Group on Religion and the Media to explain our approach to regulating discriminatory content. We supported the development of the Public Interest News Foundation (PINF), which was granted charitable status during the year and is now operating as a separate organisation with its own staff, board and budget. During the year IMPRESS provided support of

**Directors' annual report**

**For the year ended 31 March 2021**

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staff and facilities to help establish PINF. This included the secondment of one member of staff for three days a week and administrative support for that member of staff.

We hosted our third Trust In Journalism Conference which was attended by over 700 delegates and featured 39 speakers from around the world. We continued to deliver a standards programme and launched a comprehensive review of the Standards Code which will be completed in the coming year. We provided training for publishers on using social media in journalism and on new ICO age appropriate design regulations for websites. We responded to the Covid-19 pandemic by operating a key worker scheme for journalists reporting for regulated titles and by creating a resources hub on our website.

We remain grateful for the support of the Independent Press Regulation Trust (IPRT), which has allowed us to invest in our ongoing development.

## **Responsibilities of the Directors**

The directors are responsible for preparing the Directors' Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 assume that the company will continue in operation.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the

# IMPRESS: The Independent Monitor for the Press CIC

## Directors' annual report

For the year ended 31 March 2021

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preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

Each of the directors confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the directors also confirms that he/she has taken all steps that he/she reasonably ought to have taken to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

## Auditor

Sayer Vincent LLP was re-appointed as the company's auditor during the year and has expressed its willingness to continue in that capacity.

## Report Preparation

The Directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 18 May 2021 and signed on their behalf by



Walter Merricks CBE  
Chair

## Independent auditor's report

To the members of

**IMPRESS: The Independent Monitor for the Press CIC**

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### Opinion

We have audited the financial statements of IMPRESS: The Independent Monitor for the Press CIC (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Independent auditor's report

To the members of

**IMPRESS: The Independent Monitor for the Press CIC**

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### Other information

The other information comprises the information included in the directors' annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the directors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' annual report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual report

We have nothing to report in respect of the following matters in relation to which 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' annual report and from the requirement to prepare a strategic report.



## Independent auditor's report

To the members of

**IMPRESS: The Independent Monitor for the Press CIC**

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### Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out in the directors' annual report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the

## Independent auditor's report

To the members of

### IMPRESS: The Independent Monitor for the Press CIC

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financial statements or that had a fundamental effect on the operations of the company from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

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.



Joanna Pittman (Senior statutory auditor)

Date: 19 July 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

**IMPRESS: The Independent Monitor for the Press CIC****Statement of income and retained earnings****For the year ended 31 March 2021**

	Note	2021 Total £	2020 Total £
Income	2	961,968	980,543
Expenditure		<u>(920,752)</u>	<u>(933,592)</u>
<b>Surplus on ordinary activities before interest and taxation</b>		<b>41,216</b>	<b>46,951</b>
Interest receivable and similar income		1,790	2,199
<b>Surplus on ordinary activities before taxation</b>	3	<u>43,006</u>	<u>49,150</u>
Taxation on surplus on ordinary activities	5	<u>(340)</u>	<u>(418)</u>
<b>Surplus for the financial year</b>		<u><b>42,666</b></u>	<u><b>48,732</b></u>
<b>Retained earnings</b>			
Total retained earnings brought forward		416,920	368,188
Surplus for the financial year		<u>42,666</u>	<u>48,732</u>
<b>Total retained earnings carried forward</b>		<u><b>459,586</b></u>	<u><b>416,920</b></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

Statement of financial position

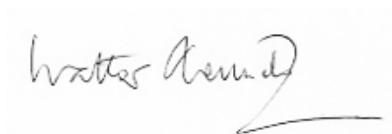
Company no. 09655520

As at 31 March 2021

	Note	£	2021 £	£	2020 £
<b>Fixed assets</b>	6		-		11,013
<b>Current assets:</b>					
Debtors	7	207,282		226,708	
Cash at bank and in hand		264,240		188,742	
		<u>471,522</u>		<u>415,450</u>	
<b>Creditors:</b>					
Amounts falling due within one year	8	11,936		9,543	
		<u>11,936</u>		<u>9,543</u>	
<b>Net current assets</b>			<u>459,586</u>		405,907
<b>Net assets</b>			<u>459,586</u>		<u>416,920</u>
<b>Reserves</b>					
Retained funds			<u>459,586</u>		<u>416,920</u>
<b>Total reserves</b>			<u>459,586</u>		<u>416,920</u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 18 May 2021 and signed on behalf of the Board of Directors:



Walter Merricks CBE  
Chair

**Notes to the financial statements**

**For the year ended 31 March 2021**

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**1 Accounting policies**

**a) Statutory information**

IMPRESS: The Independent Monitor for the Press CIC is a company limited by guarantee and is incorporated in the United Kingdom. Its company number is 09655520. The registered office address is 16–18 New Bridge Street, London EC4V 6AG.

**b) Basis of preparation**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis. IMPRESS is a Public Benefit Entity, which exists to benefit the community rather than shareholders.

**c) Going concern**

The accounts have been prepared on a going concern basis, there being no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

**d) Income**

Turnover primarily consists of grants receivable, as shown in note 2. Grant and other income is recognised when receivable. In accordance with the Public Benefit Entity requirements of FRS 102, the existence of a restriction does not prohibit a resource from being recognised in income when receivable.

**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

**f) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**g) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**h) Property, plant and equipment**

Items of equipment are capitalised where the purchase price exceeds £5,000. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is calculated to write down the cost less estimated residual value of all assets over their expected useful lives, using the straight line method. The rates applicable are:

- Leasehold improvements **4 years**
- Office equipment **1 to 3 years**

Notes to the financial statements

For the year ended 31 March 2021

i) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) **Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

k) **Deferred tax**

Provision is made on the liability method for all taxation deferred in respect of timing differences to the extent that, in the opinion of the directors, a liability is likely to crystallise in the foreseeable future.

**2 Income**

	2021 £	2020 £
Grants	950,000	971,000
Other income	11,968	9,543
	<u>961,968</u>	<u>980,543</u>

**3 Surplus/(deficit) before tax is stated after charging:**

	2021 £	2020 £
Directors' remuneration	73,663	77,696
Depreciation	11,013	19,467
Auditors' remuneration (excluding VAT):		
Audit	6,000	5,875
Other services – accountancy and taxation	2,775	2,700
Operating lease rentals:		
Rent	35,863	55,384
	<u>35,863</u>	<u>55,384</u>

Notes to the financial statements

For the year ended 31 March 2021

4 Directors' and employees' costs and emoluments

Staff costs including directors during the year were as follows:

	2021 £	2020 £
Wages and salaries	380,769	407,508
Social security costs	33,781	36,180
Pension costs	67,097	25,161
	<u>481,647</u>	<u>468,849</u>

The average number of employees including directors during the period was as follows:

	2021 Number	2020 Number
Directors	9	9
Staff	7	7
	<u>16</u>	<u>16</u>

Emoluments paid to 9 directors, including benefits in kind, totalled £73,663 in the year (2020: 9 directors – £77,696).

5 Taxation

No charge to corporation tax is expected to arise on operating activities as the CIC operates a significant trading deficit which is supported through non-taxable grant funding. Corporation tax does arise, however, on the interest receivable.

	2021 £	2020 £
Provision for Corporation Tax for the year	340	418
	<u>340</u>	<u>418</u>

Notes to the financial statements

For the year ended 31 March 2021

**6 Fixed assets**

	Leasehold improvements £	Office equipment £	Total £
<b>Cost</b>			
At the start of the year	68,066	22,402	<b>90,468</b>
At the end of the year	68,066	22,402	<b>90,468</b>
<b>Depreciation</b>			
At the start of the year	58,140	21,315	<b>79,455</b>
Charge for the year	9,926	1,087	<b>11,013</b>
At the end of the year	68,066	22,402	<b>90,468</b>
<b>Net book value</b>			
At the end of the year	-	-	-
At the start of the year	9,926	1,087	11,013

**7 Debtors**

	2021 £	2020 £
Trade debtors	742	-
Other debtors	-	2,734
Rent deposit	66,462	66,461
Prepayments and accrued income	136,624	151,417
VAT recoverable	3,454	6,096
	<b>207,282</b>	<b>226,708</b>

**8 Creditors: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	2,714	2,343
Accruals	9,222	7,200
	<b>11,936</b>	<b>9,543</b>



Notes to the financial statements

For the year ended 31 March 2021

**9 Restricted funds**

Included in funds are restricted funds of nil (2020: £nil).

	2021 £	2020 £
Restricted funds brought forward	–	20,208
Restricted funds received in the year	–	21,000
Restricted funds used in the year	–	(41,208)
	<hr/>	<hr/>
Restricted funds carried forward	–	–
	<hr/> <hr/>	<hr/> <hr/>

The restricted funds brought forward at the start of the prior year were fully expended in the year.

**10 Operating lease commitments**

The organisation's total future minimum lease payments under non-cancellable operating leases is as follows:

	Property	
	2021 £	2020 £
Less than one year	55,384	36,923
One to five years	146,274	198,445
	<hr/>	<hr/>
	<b>201,658</b>	<b>235,368</b>
	<hr/> <hr/>	<hr/> <hr/>

**11 Related party transactions**

Other than the payments to directors in note 4, there are no other related party transactions to disclose for the year (2020: £nil).

**12 Legal status**

The organisation is a community interest company, limited by guarantee, and has no share capital. The liability of each member in the event of winding up is limited to £1.