Reach Printing Services (West Ferry) Limited

Registration number: 1997219

Annual Report and Financial Statements

52 weeks ended 25 December 2022

Reach Printing Services (West Ferry) Limited
(Registration number: 1997219)

Contents

Reach Printing Services (West Ferry) Limited
(Registration number: 1997219)

Officers and Registered Office

Directors	Jim Mullen
	Darren Fisher
	Reach Directors Limited
Company secretary	Reach Secretaries Limited
Registered office	One Canada Square Canary Wharf London E14 5AP
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

Strategic Report for the 52 weeks ended 25 December 2022

The directors present their Strategic Report for the 52 weeks ended 25 December 2022.

Fair review of the business

Business Review

The trade was transferred to Reach Printing Services Limited in 2020. As a result, during the period Reach Printing Services (West Ferry) Limited (the "company") had £nil revenue (2021: £nil). The operating profit of £15,100,000 (2021: £108,000) was largely driven by the sublet of the vacant print site which has resulted in the reversal of an impairment in right-of-use assets and previously onerous costs of the vacant print site.

Financial position and future prospects

The financial position of the company is set out on page 11. The net liabilities of the company have decreased by £12,469,000 (2021: increased by £30,000) to a net asset position of £12,439,000 (2021: net liabilities of £30,000) due to the profit for the period of £11,904,000 (2021: £303,000) and actuarial gain on revaluation of the defined benefit pension schemes' deficit of £565,000 (2021: actuarial loss of £333,000). The entity no longer trades and the directors do not see any changes in future periods.

Key performance indicators

The company no longer trades. The previous key performance indicators that the company used to review and monitor its businesses were revenue and cost per page.

Section 172 statement

From the perspective of the board, as a result of the group governance structure, the matters that it is responsible for considering under Section 172 (1) of the Companies Act 2006 ('s172') have been considered to an appropriate extent by the group board in relation both to the group and to this company. The board has also considered relevant matters where appropriate. To the extent necessary for an understanding of the development, performance and position of the company, an explanation of how the group board has considered the matters set out in s172 (for the group and for the company) is set out on pages 101-103 of the 2022 Reach plc Annual Report, which does not form part of this report.

Section 172 compliance outlined in the 2022 Reach plc Annual Report is applicable to the company. This gives an overview of how the company has engaged with key stakeholders during the year, including shareholders, pension schemes, colleagues, customers and suppliers.

Principal risks and uncertainties

The company no longer trades therefore not deemed to be any applicable financial risks.

Approved by the Board on 27 June 2023 and signed on its behalf by:

....

Darren Fisher
Director

Directors' Report for the 52 weeks ended 25 December 2022

The directors present their report and the audited financial statements for the 52 weeks ended 25 December 2022.

Directors of the company
The directors of the company who were in office during the period and up to the date of signing the financial statements were as follows:

Jim Mullen

Simon Fuller (resigned 31 December 2022)

Reach Directors Limited

Darren Fisher (appointed 14 February 2023)

Principal activities
The company no longer trades. The principal activity of the company was the printing of newspapers and it is part of the Publishing division of Reach plc.

Results and dividends
The results for the period are set out on page 8. The profit for the period of £11,904,000 (2021: £303,000) has been transferred to reserves. No dividends have been paid or proposed in either period. No dividends have been proposed or paid since the period end (2021: £nil).

Financial risk management policies and objectives
The company no longer trades.

Financial position and future prospects
The company's future developments are integrated with those of the Group, which are discussed on page 43 in the 2022 Reach plc Annual Report, which does not form part of this report. Further details of the financial position and future prospects of the company is set out in the Strategic Report on page 2.

Going concern basis
In determining whether the company's financial statements can be prepared on a going concern basis the directors have considered the factors likely to affect the future development, performance and financial position of the company. In particular, the directors have reviewed the assessment, and considered the implications of the current economic environment including inflationary pressures.

The company has net current assets of £16,046,000 at 25 December 2022, which includes net amounts owed from other subsidiary undertakings of Reach plc of £16,415,000. The directors note that Reach plc group has a strong balance sheet and liquidity with a net cash positive position of £25,400,000 at 25 December 2022. This represents a cash balance of £40,400,000 with a draw down of £15,000,000 on the group's revolving credit facility of £120,000,000.

At the date of signing of these financial statements the directors have considered all the factors impacting the company's business, including downside sensitivities and the strong balance sheet of Reach plc. The company has in place a support letter from Reach plc, the group's holding company stating that Reach plc will not seek repayment of amounts owed by the company unless alternative financing is available and will advance further amounts as required by the company from 12 months from the date of signature of the company financial statements. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Directors' liabilities
During the period and as at the date of signing the annual report and financial statements, the ultimate parent company has in place a directors' and officers' liability insurance policy which includes the company.

Qualifying indemnity provision
During the period the existing and former directors of the company benefited from a qualifying third party indemnity provision, in accordance with section 234 of the Companies Act 2006. The provision was in force during the financial period and where the Directors' Report was approved, and this remains in force at the date of this report. The indemnity is provided by Reach plc and covers, to the extent permitted by law, any third party liabilities which directors may incur as a result of their service on the board.

Independent auditors
The independent auditors PricewaterhouseCoopers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and Financial Statements and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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 also 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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on 27 June 2023 and signed on its behalf by:

....

Darren Fisher
Director

Independent auditors' report to the members of Reach Printing Services (West Ferry) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Reach Printing Services (West Ferry) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 25 December 2022 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 25 December 2022; the Profit and Loss Account, the Statement of Comprehensive Income and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the period ended 25 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to data privacy law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK tax and pensions legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management's estimates and the posting of inappropriate journal entries so as to manipulate revenue and expenditure or to conceal the misappropriation of cash. Audit procedures performed by the engagement team included:

- Discussions with management, internal audit and the group's legal advisors, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Requesting legal confirmations from external lawyers and reviewing the nature of legal expenses.
- Challenging assumptions and judgements made by management in their significant accounting estimates, including the reversal of the impairment in the right-of-use assets.
- Identifying and testing journal entries to address the risk of inappropriate journals referred to above.
- Reviewing the financial statement disclosures and agreeing to underlying supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Colin Bates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 June 2023

Reach Printing Services (West Ferry) Limited
(Registration number: 1997219)

Profit and Loss Account
for the 52 weeks ended 25 December 2022 (52 weeks ended 26 December 2021)

	Note	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Turnover		-	-
Administrative expenses		15,100	108
Operating profit	3	15,100	108
Other interest receivable and similar income	5	-	700
Interest payable and similar expenses	6	(409)	(434)
Profit before tax		14,691	374
Tax on profit	7	(2,787)	(71)
Profit for the financial period		11,904	303

The above results were derived from continuing operations.

Reach Printing Services (West Ferry) Limited
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Statement of Comprehensive Income
for the 52 weeks ended 25 December 2022 (52 weeks ended 26 December 2021)

	Note	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Profit for the period		11,904	303
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) on pension schemes' deficit (net)	7, 16	565	(333)
Total comprehensive profit/(loss) for the period		12,469	(30)

The notes on pages 12 to 29 form an integral part of these financial statements.

Reach Printing Services (West Ferry) Limited
(Registration number: 1997219)

Statement of Changes in Equity
for the 52 weeks ended 25 December 2022 (52 weeks ended 26 December 2021)

	Called up Share capital £ 000	Share premium £ 000	Capital contribution reserve £ 000	Profit and loss account £ 000	Total £ 000
At 28 December 2020	7,000	7,500	57,087	(71,587)	-
Profit for the period	-	-	-	303	303
Other comprehensive loss	-	-	-	(333)	(333)
Total comprehensive loss	-	-	-	(30)	(30)
At 26 December 2021	7,000	7,500	57,087	(71,617)	(30)

	Called up share capital £ 000	Share premium £ 000	Capital contribution reserve £ 000	Profit and loss account £ 000	Total £ 000
At 27 December 2021	7,000	7,500	57,087	(71,617)	(30)
Profit for the period	-	-	-	11,904	11,904
Other comprehensive income	-	-	-	565	565
Total comprehensive income	-	-	-	12,469	12,469
At 25 December 2022	7,000	7,500	57,087	(59,148)	12,439

The notes on pages 12 to 29 form an integral part of these financial statements.

Reach Printing Services (West Ferry) Limited
(Registration number: 1997219)

Balance Sheet

at 25 December 2022 (at 26 December 2021)

	Note	25 December 2022 £ 000	26 December 2021 £ 000
Non-current assets			
Tangible fixed assets	8	-	-
Right-of-use assets	9	-	-
Finance lease receivable	10	10,336	-
Investments	11	-	-
		10,336	-
Current assets			
Debtors	12	16,432	22,153
Finance lease receivable	10	628	-
		17,060	22,153
Creditors: amounts falling due within one year	13	(1,014)	(1,009)
Net current assets		16,046	21,144
Total assets less current liabilities		26,382	21,144
Creditors: amounts falling due after more than one year	14	(11,458)	(12,230)
Provisions for liabilities	15	(2,485)	(8,944)
Net assets/(liabilities)		12,439	(30)
Capital and reserves			
Called up share capital	17	7,000	7,000
Share premium account	17	7,500	7,500
Capital contribution reserve	17	57,087	57,087
Profit and loss account	17	(59,148)	(71,617)
Total shareholders' funds/(deficit)		12,439	(30)

The financial statements on pages 8 to 29 were approved by the Board of Directors on 27 June 2023 and signed on its behalf by:

....
Darren Fisher
Director

The notes on pages 12 to 29 form an integral part of these financial statements.

Notes to the Financial Statements for the 52 weeks ended 25 December 2022

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:
One Canada Square
Canary Wharf
London
E14 5AP
United Kingdom

2 Basis of preparation and significant accounting policies

Statement of compliance
The company financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

Basis of preparation
The financial statements of Reach Printing Services (West Ferry) Limited, a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales, have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 requires the use of certain key accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

For administrative convenience, the financial statements are made up to a suitable date near the end of the calendar year. These financial statements have been prepared for the 52 weeks ended 25 December 2022 and the comparative period has been prepared for the 52 weeks ended 26 December 2021.

The financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the company operates.

The nature of the company's operations and its principal activity are set out in the Directors' Report on page 3.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, by virtue of section 400 of the Companies Act 2006, because it is included in the group accounts of Reach plc. Details of the parent in whose consolidated financial statements the company is included are shown in note 19 to the financial statements.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, disclosure of remuneration paid to auditors for non-audit services, related party transactions key assumptions in cash flow projections and qualitative and quantitative information related to changes in contract assets and contract liabilities. Where required, equivalent disclosures are given in the group accounts of Reach plc. The group accounts of Reach plc are available to the public and can be obtained as set out in note 19.

The company has applied the exemption available under FRS 101 in relation to paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

Going concern
The financial statements have been prepared on a going concern basis as set out in the Directors' Report.

Adoption of new and revised standards
There were no amendments to IFRSs or new interpretations effective for the current period that have had a material impact on the company's financial statements.

2 Basis of preparation and significant accounting policies (continued)

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Leases
The Company as a lessee
Leases are recognised on the balance sheet as a right-of-use asset and corresponding liability at the date at which a leased asset is made available for use by the company, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the company's weighted average incremental borrowing rate and subsequently held at amortised cost in accordance with IFRS 9. Finance costs are charged to the profit and loss account over the lease term, at a constant periodic rate of interest. Right-of-use assets are depreciated over the lease term on a straight-line basis. Each lease payment is allocated between the liability and finance cost.

The Company as a lessor
When the Company acts as a lessor, it determines whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment as to whether the lease transfers substantially all of the risks and rewards of ownership of the underlying asset to the lessee. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. Under IFRS 16, the Company is required to assess the classification of a sub-lease with reference to the right-of-use asset, not the underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment in the lease.

Current and deferred tax
The tax expense represents the sum of the corporation tax currently payable and deferred tax.

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account except when it relates to items charged or credited in the statement of comprehensive income or items charged or credited directly to equity, in which case the deferred tax is also dealt with in the statement of comprehensive income and equity respectively.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2 Basis of preparation and significant accounting policies (continued)

Tangible fixed assets
Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and all directly attributable costs of bringing the asset to its location and condition necessary to operate as intended.

Depreciation is charged so as to write-off the cost using the straight-line method over the estimated useful lives of plant and machinery (3-25 years). Depreciation commences when the assets are ready for their intended use.

Tangible fixed assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Investments
Fixed asset investments are stated at cost less provision for any impairment.

Stocks
Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first in first out method.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and short-term bank deposits with an original maturity of one week or less.

Financial instruments
Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade Receivables
Financial assets are measured at amortised cost.

Financial liabilities
Financial liabilities, including borrowings, are initially recognised at fair value and subsequently measured at amortised cost, net of transaction costs.

Provisions
Provisions are recognised when the company has a present obligation as a result of a past event, and it is probable that the company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. Provisions are made for legal and other costs in respect of historical litigation and other matters in progress and for estimated damages where it is judged probable that damages will be payable.

Called up share capital
Ordinary shares are classified as equity.

Defined contribution pension obligation
The company contributes to certain group defined contribution pension schemes. The amount charged to the profit and loss account is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2 Basis of preparation and significant accounting policies (continued)

Defined benefit pension obligation
The company is the sponsoring company for certain group defined benefit pension schemes which are all closed to new entrants and to future accrual.

The defined benefit pension schemes have been set up under trusts that hold their financial assets independently from those of the company and are controlled by trustees. The amount recognised in the balance sheet in respect of defined benefit pension schemes is the present value of the defined benefit obligation at the reporting date less the fair value of scheme assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The resultant liability or asset of each scheme is included in non-current liabilities or non-current assets as appropriate. Any surplus recognised is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions. Where surpluses are not recognised, a liability is recognised being the value of future committed deficit contribution.

The defined benefit obligation is calculated at each reporting date by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds approximating to the terms of the related pension liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. The amount charged or credited to finance costs is a net interest amount calculated by applying the liability discount rate to the net defined benefit liability or asset. Past service costs are recognised immediately in the profit and loss statement.

2.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

Defined benefit pension schemes (note 16)
Actuarial assumptions adopted and external factors can significantly impact the surplus or deficit of defined benefit pension schemes. Valuations for funding and accounting purposes are based on assumptions about future economic and demographic variables. These result in risk of a volatile valuation deficit and the risk that the ultimate cost of paying benefits is higher than the current assessed liability value. Advice is sourced from independent and qualified actuaries in selecting suitable assumptions at each reporting date.

The company paid £9.6m to the WF Scheme in 2021 which together with the payment of £5.0m in 2020 enabled the Trustees to purchase a bulk annuity and the scheme now has all pension liabilities covered by annuity policies and no further funding is expected.

Provisions (note 15)
Provisions are measured at the best estimate of the expenditure required to settle the obligation based on the assessment of the related facts and circumstances at each reporting date. In particular, we note that there is uncertainty in relation to the size and length of the property related restructuring provisions.

Critical judgements in applying the Group's accounting policies
In applying the company's accounting policies, described above, no critical judgements were identified.

3 Operating profit

Operating profit/(loss) is stated after charging/(crediting):

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Restructuring (credits)/charges in respect of cost reduction measures (note 15)	(4,850)	(453)
Pension administrative expenses	714	345
Reversal of impairment of right-of-use asset	(10,964)	-

The auditors' remuneration of £27,000 (2021: £27,000) for the audit of the statutory financial statements of this company has been borne and not recharged by another group company.

4 Information regarding directors and employees

The company has no employees (2021: none).

Directors' emoluments
The directors holding office during the period consider their services to the company are incorporated within their duties as directors of Reach plc group, it is not practical to allocate remuneration to each entity. No remuneration has been apportioned to the company (2021: none). The directors' remuneration is included in the aggregate of directors' remuneration disclosed in the Remuneration Report contained within the 2022 Reach Plc Annual Report on pages 120 to 136.

5 Other interest receivable and similar income

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Pension finance income (note 16)	-	700

6 Interest payable and similar expenses

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Interest on lease liabilities (note 9)	409	434

7 Tax on profit

Tax expense/(receipt) in the profit and loss account

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Current taxation		
UK corporation tax	2,922	4
Deferred taxation		
Arising from origination and reversal of temporary differences	(135)	67
Tax expense in the profit and loss account	2,787	71

The tax on profit/(loss) before tax for the period is lower than the standard rate of corporation tax in the UK (2021: the same as the standard rate of corporation tax in the UK) of 19% (2021: 19%).

The differences are reconciled below:

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Profit before tax	14,691	374
Corporation tax at standard rate of 19% (2021: 19%)	2,791	71
Decrease from effect of compensating adjustments	(4)	-
Total tax charge	2,787	71

The current tax liabilities amounted to £nil (2021: £nil) at the reporting date.

The Budget on 5 March 2021 increased the rate of corporation tax from 19% to 25% with effect from 1 April 2023. At 26 December 2021 this rate change was substantively enacted by parliament. There was no impact to the profit and loss account.

7 Tax on profit (continued)

Deferred tax

Deferred tax assets

Deferred tax movement during the period:

	At 27 December 2021 £ 000	Recognised in profit and loss £ 000	Recognised in other comprehensive income £ 000	At 25 December 2022 £ 000
Pension benefit obligations	-	135	(135)	-

Deferred tax movement during the prior period:

	At 28 December 2020 £ 000	Recognised in profit and loss £ 000	Recognised in other comprehensive income £ 000	At 26 December 2021 £ 000
Pension benefit obligations	-	(67)	67	-

Amounts recognised in other comprehensive income

	2022			2021		
	Before tax £ 000	Deferred tax £ 000	Net of tax £ 000	Before tax £ 000	Deferred tax £ 000	Net of tax £ 000
Actuarial gain/(loss) on pension schemes' deficit	700	(135)	565	(400)	67	(333)

8 Tangible fixed assets

	Plant and machinery £ 000
Cost	
At 28 December 2020	38,202
Disposals	(14,260)
At 26 December 2021	23,942
At 27 December 2021	23,942
Disposals	(23,942)
At 25 December 2022	-
Accumulated Depreciation and Impairment	
At 28 December 2020	(38,202)
Eliminated on disposal	14,260
At 26 December 2021	(23,942)
At 27 December 2021	(23,942)
Eliminated on disposal	23,942
At 25 December 2022	-
Carrying amount	
At 25 December 2022	-
At 26 December 2021	-

£23,942,000 of disposals in cost and accumulated depreciation relate to the scrapping of plant and equipment as a result of the sublet of the vacant print site, which was fully impaired in 2020.

9 Right-of-use assets

	Property £ 000
Cost	
At 28 December 2020	14,640
At 26 December 2021	14,640
Derecognition at start of sublease classified as finance lease	(14,640)
At 25 December 2022	-
Accumulated depreciation and impairment	
At 28 December 2020	(14,640)
At 26 December 2021	(14,640)
Reversal of impairment	10,964
Derecognition at start of sublease classified as finance lease	3,676
At 25 December 2022	-
Carrying amount	
At 25 December 2022	-
At 26 December 2021	-

The sublet of the vacant print site which was closed in 2020, has resulted in the reversal of an impairment in right-of-use asset of £10,964,000 in 2022. The sublet has been classified as a finance lease and the net investment in the lease of £10,964,000 is recognised as a finance lease receivable in the balance sheet.

Amounts recognised in the profit and loss account
The profit and loss account includes the following amounts relating to leases:

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Reversal of impairment of right-of-use assets	10,964	-
Interest on lease liabilities	(409)	(434)
Total credited/(charged) to the profit and loss account	10,555	(434)

10 Leases

Finance lease receivable

	Property £ 000
Cost	
At 27 December 2021	-
Recognition of receivable at commencement of sublease	10,964
At 25 December 2022	10,964

In 2022, the Company has sublet a leased property under a finance lease. The finance lease receivable (net investment in the lease) included in the balance sheet is £10,964,000 (2021: £nil).

The finance lease receivable has been analysed between current and non-current as follows:

	25 December 2022 £ 000
Current	628
Non-current	10,336

Leases included in creditors
Lease liabilities represent rental obligations for a print site.

	25 December 2022 £ 000	26 December 2021 £ 000
Current portion of long term lease liabilities	1,014	989
Long term lease liabilities	11,458	12,230

Lease liabilities maturity analysis
A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	25 December 2022 £ 000	26 December 2021 £ 000
Within one year	1,156	1,156
Greater than one and less than five years	4,623	4,623
Greater than five years	9,185	10,338
Total lease liabilities (undiscounted)	14,964	16,117

Total cash outflows related to leases
Total cash outflows related to leases are presented in the table below:

	25 December 2022 £ 000	26 December 2021 £ 000
Payment		
Lease liabilities	1,156	913

The company does not face significant liquidity risk in relation to its lease liabilities.

11 Investments

Investment in subsidiary undertakings

In compliance with Section 409 of the Companies Act 2006, the following comprises a list of all related subsidiary undertakings of the company, as at 25 December 2022.

The following subsidiary undertaking is 100% owned (all share classes) and incorporated in England and Wales, with a registered office at One Canada Square, Canary Wharf, London E14 5AP.

Name of subsidiary	Share Class	Proportion of shares held
West Ferry Printers Pension Scheme Trustees Limited*	£1.00 ordinary	100%

* indicates direct investment of Reach Printing Services (West Ferry) Limited

12 Debtors

	25 December 2022 £ 000	26 December 2021 £ 000
Amounts owed from fellow subsidiaries	16,415	22,094
Prepayments	17	59
	16,432	22,153

Intercompany balances are unsecured, non-interest bearing balances repayable on demand.

13 Creditors: amounts falling due within one year

	25 December 2022 £ 000	26 December 2021 £ 000
Current portion of long term lease liabilities (note 10)	1,014	989
Social security and other taxes	-	20
	1,014	1,009

A fellow subsidiary undertaking operates a centralised accounts payable function for the group which results in trade creditor balances of the company being recorded in the balance sheet of the fellow subsidiary undertaking with consideration being recorded through intercompany.

14 Creditors: amounts falling due after one year

	25 December 2022 £ 000	26 December 2021 £ 000
Long term lease liabilities (note 10)	11,458	12,230

Notes to the Financial Statements for the 52 weeks ended 25 December 2022 (continued)

15 Provisions for liabilities

	Restructuring £ 000
At 27 December 2021	8,944
Additional provisions	732
Provisions used	(1,609)
Unused provision reversed	(5,582)
At 25 December 2022	2,485
Non-current liabilities	2,000
Current liabilities	485

The restructuring provision relates to restructuring charges incurred in the delivery of cost reduction measures. The sublet of a vacant print plant has resulted in the release of £5,582,000 of previously onerous costs. The balance at the period end comprises closure costs relating to the closure of print plants of £2,485,000. The closure costs provision includes £485,000 expected to be utilised within the next year and £2,000,000 expected to be utilised over the remaining term of the long term lease relating to Luton print plant that was closed in 2020.

16 Pension schemes' deficit

Defined contribution pension scheme

The company contributes to a defined contribution pension scheme for qualifying employees: The Reach Pension Plan (the 'RPP'). The two Group Personal Pension Plans for Express & Star employees were closed on 31 March 2019 with all members given the opportunity to join the RPP on 1 April 2019. The assets of the RPP scheme where employees have an individual account at Fidelity are held separately from those of the company in funds under the control of Trustees.

The current service cost charged to the profit and loss account for the period of £nil (2021: £nil) represents contributions paid by the company at rates specified in the scheme rules. All amounts that were due have been paid over to the schemes at all reporting dates.

Defined benefit pension schemes

The company announced the closure of the defined benefit scheme to future accrual from 28 February 2010. Prior to this date, the company contributed to the West Ferry Printers Pension Scheme (the WF Scheme') - the company's defined benefit pension scheme.

Characteristics
The defined benefit pension scheme provide pensions to members, which are based on the final salary pension payable, normally from age 62 plus surviving spouses or dependents benefits following a member's death. Benefits increase both before and after retirement either in line with statutory requirements or in accordance with the scheme rules if greater. Such increases are either at fixed rates or in line with retail or consumer prices but subject to upper and lower limits. The scheme is independent of the company with assets held independently of the company. The scheme is governed by Trustees who administer benefits in accordance with the scheme rules and appropriate UK legislation. The scheme has Trustees nominated by the members and by the company.

Maturity profile and cash flow
All of the liabilities are now insured under an annuity policy, although there remains a residual amount of assets outside of this policy to cover ongoing expenses until the Fund winds up. The liabilities related 75% to current pensioners and their spouses or dependants and 25% related to deferred pensioners. The average term from the period end to payment of the benefits is expected to be around 11 years. Pension payments in 2022, excluding lump sums and transfer value payments, were £9.1 million and these are projected to rise to an annual peak in 2027 of £10.5 million and reducing thereafter.

16 Pension schemes' deficit (continued)

Funding arrangements
The funding of the scheme is subject to UK pension legislation as well as the guidance and codes of practice issued by the Pensions Regulator. Funding targets are agreed between the Trustees and the company and are reviewed and revised usually every three years. The funding targets must include a margin for prudence above the expected cost of paying the benefits and so are different to the liability value for IAS 19 purposes. The funding deficits revealed by these triennial valuations are removed over time in accordance with an agreed recovery plan and schedule of contributions for the scheme. The latest valuation date for the scheme was 31 December 2019, although the process to determine the 31 December 2022 valuation is now due to commence.

The company paid £9.6m to the scheme in 2021 which together with the payment of £5.0m made in 2020 enabled the Trustees to purchase a bulk annuity and the scheme now has all pension liabilities covered by annuity policies and no further funding is expected.

The future deficit funding commitments are linked to the three-yearly actuarial valuations. Although the funding commitments do not generally impact the IAS 19 position, IFRIC 14 guides companies to consider for IAS 19 disclosures whether any surplus can be recognised as a balance sheet asset and whether any future funding commitments in excess of the IAS 19 liability should be provisioned for. The assets are surplus to the IAS 19 benefit liabilities. However, to allow for IFRIC 14, the company recognises a deficit of the value of its future deficit contribution commitment to the scheme in line with the schedule of contributions in force at the reporting date.

The calculation of Guaranteed Minimum Pension ('GMP') is set out in legislation and members of pension schemes that were contracted out of the State Earnings-Related Pension Scheme ('SERPS') between 6 April 1978 and 5 April 1997 will have built up an entitlement to a GMP. GMPs were intended to broadly replicate the SERPS pension benefits but due to their design they give rise to inequalities between men and women, in particular, the GMP for a male comes into payment at age 65 whereas for a female it comes into payment at the age of 60 and GMPs typically receive different levels of increase to non GMP benefits. On 26 October 2018, the High Court handed down its judgement in the Lloyds Trustees vs Lloyds Bank plc and Others case relating to the equalisation of member benefits for the gender effects of GMP equalisation. This judgement creates a precedent for other UK defined benefit schemes with GMPs. The judgement confirmed that GMP equalisation was required for the period 17 May 1990 to 5 April 1997 and provided some clarification on legally acceptable methods for achieving equalisation. We have therefore included an allowance for GMP equalisation within liabilities at 30 December 2018. In 2020 further clarification was issued relating to GMP equalisation in respect of transfers out of schemes. No further allowance was required. The estimate is subject to change as we undertake more detailed member calculations, as guidance is issued and/or as a result of future legal judgements.

16 Pension schemes' deficit (continued)

Risks

Valuations for funding and accounting purposes are based on assumptions about future economic and demographic variables. This results in risk of a volatile valuation deficit and the risk that the ultimate cost of paying benefits is higher than the current assessed liability value.

The main sources of risk are:

- Investment risk: a reduction in asset returns (or assumed future asset returns);
- Inflation risk: an increase in benefit increases (or assumed future increases); and
- Longevity risk: an increase in average life spans (or assumed life expectancy).

These risks are managed by:

- Investing in insured annuity policies: the income from these policies exactly matches the benefit payments for the members covered, removing all of the above risks. At the reporting date the insured annuity policies covered 100% of total liabilities;

Pension scheme accounting deficits are snapshots at moments in time and are not used by either the company or Trustees to frame funding policy. The company and Trustees are aligned in focusing on the long-term sustainability of the funding policy which aims to balance the interests of the company's shareholders and members of the schemes. The company and Trustees are also aligned in reducing pensions risk over the long term and at a pace which is affordable to the company.

The company is not exposed to any unusual, entity specific or scheme specific risks. Other than the impact of GMP equalisation, there were no plan amendments, settlements or curtailments in 2022 or 2021 which resulted in a pension cost.

Results

For the purposes of the company's financial statements, valuations have been performed in accordance with the requirements of IAS 19 with scheme liabilities calculated using a consistent projected unit valuation method and compared to the estimated value of the scheme assets at 25 December 2022.

Principal actuarial assumptions

Based on actuarial advice, the assumptions used in calculating the scheme liabilities and actuarial values of these liabilities are:

	25 December 2022 %	26 December 2021 %*
Discount rate	4.88	1.80
Retail price inflation rate	3.27	3.43
Consumer price inflation rate	1.0% pa lower than RPI to 2030 and equal to RPI thereafter	1.0% pa lower than RPI to 2030 and equal to RPI thereafter
Rate of pension increases in deferment	2.76	3.04
Rate of pension increases in payment	2.88	2.96

*From the end of 2021, the company has adopted curve-based assumptions to value the scheme liabilities. The figures quoted here represent the single equivalent of the full curve-based assumption.

16 Pension schemes' deficit (continued)

Mortality assumptions – future life expectations from age 65 (years)

	25 December 2022 Years	26 December 2021 Years
Male pensioner currently aged 65	21.8	22.0
Female pensioner currently aged 65	24.4	24.5
Male deferred pensioner currently aged 55	21.2	21.4
Female deferred pensioner currently aged 55	24.6	24.7

The discount rate should be chosen to be equal to the yield available on 'high quality' corporate bonds of appropriate term and currency. For 2021 and 2022, the discount rate has been set to reflect the full corporate bond yield curve.

The inflation assumptions are based on market expectations over the period of the liabilities. For 2021 and 2022, the inflation assumptions have been set using the full inflation curve. The RPI assumption is set based on a margin deducted from the break-even RPI inflation curve. This margin, called an inflation risk premium reflects the fact that the RPI market implied inflation curve can be affected by market distortions and as a result it is thought to overstate the underlying market expectations for future RPI inflation. Allowing for the extent of RPI linkage on the scheme's benefits pre and post 2030, the average inflation risk premium has been set at 0.2% to 2030 and 0.4% thereafter. The CPI assumption is set based on a margin deducted from the RPI assumption, due to lack of market data on CPI expectations. Based on an analysis of the CPI-linkage of the cash flow profile of the scheme, the assumed gap between RPI and CPI inflation is 1.0% per annum up to 2030 and 0.0% per annum beyond 2030, consistent with 2021.

Sensitivity analysis

The estimated impact on the IAS 19 liabilities and on the IAS 19 deficit at the reporting date, due to a reasonably possible change in key assumptions over the next year, are set out in the table below:

	25 December 2022		26 December 2021	
	+ 0.1%	- 0.1%	+ 0.1%	- 0.1%
Adjustment to discount rate	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	(1,000)	2,000	(3,000)	3,000

	25 December 2022		26 December 2021	
	+ 0.1%	- 0.1%	+ 0.1%	- 0.1%
Retail price inflation rate	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	1,000	(1,000)	2,000	(2,000)

	25 December 2022		26 December 2021	
	+ 0.1%	- 0.1%	+ 0.1%	- 0.1%
Consumer price inflation rate	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	-	-	1,000	(1,000)

	25 December 2022		26 December 2021	
	+ 1 Year	- 1 Year	+ 1 Year	- 1 Year
Life expectancy at age	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	7,000	(7,000)	13,000	(13,000)

16 Pension schemes' deficit (continued)

The RPI sensitivity impacts the rate of increases for some of the pensions in payment. The CPI sensitivity impacts the rate of increases in deferment for some of the pensions and the rate of increases in payment for some of the pensions in payment.

The effect on the deficit is usually lower than the effect on the liabilities due to the matching impact on the value of the insurance contracts held in respect of some of the liabilities. Each assumption variation represents a reasonably possible change in the assumption over the next year but might not represent the actual effect because assumption changes are unlikely to happen in isolation.

The estimated impact of the assumption variations make no allowance for changes in the values of invested assets that would arise if market conditions were to change in order to give rise to the assumption variation, other than the effect on the deficit which takes into account changes in the values of insured annuity policies. If allowance were made, the estimated impact would likely be lower as the values of invested assets would normally change in the same directions as the liability values.

Amounts recognised in the profit and loss account

	25 December 2022 £ 000	26 December 2021 £ 000
Amounts recognised in operating profit/(loss)		
Administrative expenses paid	714	345
Amounts recognised in finance income or costs		
Finance income	-	(700)
Total recognised in the profit and loss account	714	(355)

Amounts taken to the statement of comprehensive income

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Actuarial gains/(losses) arising from changes in assumptions	76,500	(5,500)
Actuarial losses arising from experience adjustments	(4,600)	(3,000)
Returns on scheme assets less than discount rate	(71,800)	(37,700)
Changes in the effect of the asset ceiling	600	45,800
Amounts recognised in the statement of comprehensive income	700	(400)

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows:

	25 December 2022 £ 000	26 December 2021 £ 000
Present value of scheme liabilities	(148,822)	(226,322)
Fair value of scheme assets	150,008	228,122
Defined benefit pension scheme surplus	1,186	1,800
Effect of asset ceiling	(1,186)	(1,800)
Defined benefit pension scheme surplus/(deficit)	-	-

Notes to the Financial Statements for the 52 weeks ended 25 December 2022 (continued)

16 Pension schemes' deficit (continued)

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Present value at start of period	226,322	225,822
Actuarial gains and losses arising from changes in demographic assumptions	(3,400)	1,400
Actuarial gains and losses arising from changes in financial assumptions	(73,100)	4,100
Actuarial gains and losses arising from experience adjustments	4,600	3,000
Interest cost	4,000	3,300
Benefits paid	(9,600)	(11,300)
Present value at end of period	148,822	226,322

Effect of asset ceiling

A reconciliation of the effect of the asset ceiling is as follows:

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Opening balance	(1,800)	(47,600)
Interest cost	-	(700)
Changes in asset ceiling, excluding amounts included in interest	614	46,500
Closing balance	(1,186)	(1,800)

Scheme assets

Changes in the fair value of scheme assets are as follows:

	52 weeks ended 25 December 2022 £ 000	52 weeks ended 26 December 2021 £ 000
Fair value at start of period	228,122	263,900
Interest income	4,000	4,000
Returns on scheme assets (less)/greater than discount rate	(71,800)	(37,700)
Employer contributions	-	9,567
Benefits paid	(9,600)	(11,300)
Administrative expenses paid	(714)	(345)
Fair value at end of period	150,008	228,122

16 Pension schemes' deficit (continued)

Analysis of assets

The major categories of scheme assets are as follows:

	25 December 2022 £ 000	26 December 2021 £ 000
Cash and other	1,400	2,100
Insurance contracts	148,608	226,022
	150,008	228,122

The scheme holds bulk annuity policies which cover all the pension liabilities of the scheme.

17 Capital and reserves

Allotted, called up and fully paid shares

	25 December 2022 No. 000	£ 000	26 December 2021 No. 000	£ 000
Ordinary shares of £1 each	7,000	7,000	7,000	7,000

The authorised share capital is 7,000,000 ordinary shares of £1 each (2021: 7,000,000). The company has one class of ordinary shares which carry no right to fixed income.

The share premium account represents the premium on issued ordinary shares.

The capital contribution reserves relates to Reach Network Media Limited making a capital contribution to the company via intercompany amounting to £57,087,000 in 2020.

The profit and loss account reserve represents cumulative profit and losses net of dividends paid and other adjustments.

18 Contingent liabilities

The company, together with certain of its fellow subsidiaries in the United Kingdom, has guaranteed the loans and bank overdraft of the group with certain of the group's bankers. At 25 December 2022, this amounted to £15,000,000 (2021: £nil).

19 Ultimate parent company and immediate parent undertaking

The company's immediate parent is Express Newspapers.

The ultimate parent is Reach plc. The group financial statements are available upon request from its registered office at One Canada Square, Canary Wharf, London E14 5AP.

The company is a wholly owned subsidiary of Express Newspapers and of its ultimate parent, Reach plc.

Relationship between entity and parents

The parent of the largest and smallest group in which these financial statements are consolidated is Reach plc, incorporated in England and Wales.