



Audit Bureau Of Circulations

Founder Member : International Federation of Audit Bureaux of Circulations
Wakefield House, Spratt Road, Ballard Estate, Mumbai – 400 001
Tel: +91 22 2261 18 12 / 2261 90 72 . ● Fax: +91 22 2261 88 21
E-mail : abc@auditbureau.org ● Web Site : <http://www.auditbureau.org>

17th December 2013

To,

ALL EMPANELLED AUDIT FIRMS
cc: Publisher Members

Dear Sir,

NOTIFICATION NO. 836

Detailed verification of Reader and Trade Schemes

Bureau's Council of Management's attention was recently drawn to the fact that member publications operate various reader schemes which normally induce readers to purchase copies of their publication. However, correct details of these reader schemes were not reported in the check-list submitted to the Bureau.

One such case was brought to the Bureau's notice wherein non-compliant reader schemes were projected to the Bureau as compliant reader schemes and copies included for certification. Bureau investigated the matter and came to the conclusion that ABC certificate of circulation earlier issued to the publisher was not in line with the prescribed Bureau's audit guidelines and therefore the relevant ABC certificates of circulation were thereafter cancelled by the Bureau.

In this regard, all empanelled audit firms are advised to be vigilant and diligent whilst undertaking circulation audits of member publications. Special emphasis should be given to:

- 1) Reader schemes or trade schemes which may have been announced in the previous audit period, however, copies of the said scheme may continue to be dispatched in the current audit period and included for certification (during the scheme period). Therefore, it is necessary for all auditors to verify all such schemes whether reader or trade schemes in detail before including relevant copies for certification.
- 2) Auditors should verify the original reader schemes as well as call for all publicity material used by the publisher to announce the reader schemes thru pamphlets, advertisements in newspapers or any other communication including one to one communication with the reader / trade (as the case may be).
- 3) Auditors should verify the terms of the reader schemes in detail including the fine print and satisfy themselves regarding the valuation of the gifts offered to the readers vis-à-vis the value of the gifts announced by the publisher in the advertisement (in some cases).

- 4) All schemes for which copies have been included for certification be it a reader inducement scheme and / or trade scheme should be reported to the Bureau in normal course through the check-list completed by all audit firms carrying out circulation audits of member publications along with a photo copy of the said scheme (duly translated in English).
- 5) Auditors comments on the said schemes along with number of copies included and / or not included for certification together with valuation of gifts should be mentioned in detail in the check-list submitted by auditors.

All empanelled firms are required to follow the above procedure so that full and correct disclosure of all schemes are reported in the check-list to enable the Bureau scrutinize the same before certifying circulation figures of member publications.

Thanking you,

Secretary General