

TRIBUNE PUBLICATIONS LIMITED

FINANCIAL STATEMENTS

FOR THE

YEAR ENDED 31ST DECEMBER 2003

Company Registration No. 318001



TRIBUNE PUBLICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 2003

Directors

The Directors of the Company during the financial year were:-

M Naughton	M Desai	G Ford
R Robertson	M Prosser	D Norman
B Sumner	M Seddon	A Simpson
P Woolas	M Foot	F Hont
M Webber	J Corston	M Griffiths

Review of Business

The principal activity of the Company is that of newspaper publishing and there has been no significant change in this activity during the year.

The Directors submit the financial statements for the year to 31st December 2003 and report a loss for the year of £66,812.

Directors' Interest

Shareholdings held by the Directors are as follows:-

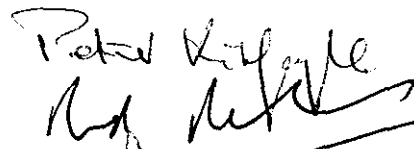
M Foot	60 Ordinary Shares
S Marsh	1 Ordinary Share

Auditors

The auditors, Appleby & Wood are willing to continue in office and resolutions concerning their appointment and remuneration will be submitted to the Annual General Meeting.

Signed on Behalf of the Board

Chairman



Director

Secretary



TRIBUNE PUBLICATIONS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2003

		2003		2002	
	Notes	£	£	£	£
Turnover	2		205,198		205,497
Cost of Sales			(150,276)		(139,227)
Gross Profit			<u>54,922</u>		<u>66,270</u>
Distribution Expenses		3,365		4,947	
Administration Expenses		<u>130,274</u>		<u>105,165</u>	
			(133,639)		(110,112)
			(78,717)		(43,842)
Other Operating Income			<u>10,910</u>		<u>33,055</u>
Operating (Loss)	4		(67,807)		(10,787)
Income from Fixed Assets Investment	5	461		461	
Other Interest Receivable		<u>534</u>		<u>10</u>	
			995		471
Retained (Loss) for the year before tax			(66,812)		(10,316)
Corporation Tax	12		<u>-</u>		<u>-</u>
			(66,812)		(10,316)

The above amounts relate to continuing operations.

TRIBUNE PUBLICATIONS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2003

	Notes	2003 £	2002 £
Fixed Assets			
Tangible Assets	6(a)	788	2,543
Investments	6(b)	<u>3,919</u>	<u>3,919</u>
		4,707	6,462
Current Assets			
Stock		49	49
Debtors	7	155,813	55,760
Cash at Bank and in Hand		<u>2,562</u>	<u>469</u>
		158,424	56,278
Bank overdraft		-	(5,874)
Creditors - Amounts falling due within one year	8	<u>(82,076)</u>	<u>(117,777)</u>
Net Current Assets/(Liabilities)		<u>76,348</u>	<u>(67,373)</u>
		81,055	(60,911)
Creditors - Amounts falling due after more than one year	9	<u>(10,953)</u>	<u>(10,953)</u>
		70,102	(71,864)
Capital and Reserves			
Called Up Share Capital	10	6,964	882
Share Premium Account		202,696	-
Profit and Loss Account - Accumulated (Loss)	11	<u>(139,558)</u>	<u>(72,746)</u>
		70,102	(71,864)

Chairman

Peter Kipp

Director

And [Signature]

Date Approved

26/10/2004

TRIBUNE PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

1. Accounting Policies

- a) Depreciation has been provided on office equipment on the straight line basis at 33.3% per annum.
- b) Corporation Tax has been provided at the rate of 0% on the retained profit for the 3 months to 31st March 2003 and 0% thereafter for the year ended 31st December 2003.
- c) Stock of books has been valued at the lower of cost and net realisable value.

2. Turnover

Turnover is in respect of newspaper sales and advertising.

3. Promotional grant

Promotional grants received during the year has now been included under donations.

4. Operating (Loss)/Profit

	2003		2002	
a) The (loss)/profit is stated after charging:	£	£	£	£
Staff Costs-				
Salaries	93,994		85,833	
Social Security Costs	30,554		23,200	
		124,548		109,033
Auditors' Remuneration		1,560		2,561

- b) The average number of employees during the year was 10.

5. Income from Fixed Assets Investment

Unquoted	461	461
	<u>461</u>	<u>461</u>

6. Fixed Assets

a) Office Equipment		
Cost b/fwd	12,405	12,227
Additions	1,168	325
Write off of asset included in 2001	-	(147)
	<u>13,573</u>	<u>12,405</u>
Depreciation b/fwd	9,862	7,330
Charge for the period	2,923	2,581
Write back on one year's (2001) depr on asset written off	-	(49)
	<u>12,785</u>	<u>9,862</u>
Net Book Value	<u>788</u>	<u>2,543</u>
b) Investment		
Unquoted	3,919	3,919
	<u>3,919</u>	<u>3,919</u>

The market value of the investments at 31st December 2003 was £3,919.

TRIBUNE PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

	2003 £	2002 £
7. Debtors		
Trade Debtors	156,788	44,479
Provision for bad debts	(20,000)	(10,000)
Other Debtors and Prepayments	19,025	21,281
	<u>155,813</u>	<u>55,760</u>

Trade debtors are stated after making provision for doubtful debts in respect of circularisation and advertising.

8. Creditors - Amounts falling due within one year

Trade Creditors	27,391	52,704
Taxation and Social Security Costs	3,385	10,880
Other Creditors	11,885	15,071
Deferred Income (Subscriptions)	39,053	27,807
Corporation Tax	(387)	(302)
Customs and Excise	749	11,617
	<u>82,076</u>	<u>117,777</u>

9. Creditors - Amounts falling due after more than one year

Various Loans	2,053	2,053
Deed of Covenant	900	900
Loan from M.Foot	8,000	8,000
	<u>10,953</u>	<u>10,953</u>

The loans are interest free and repayable on demand.

10. Share Capital

Authorised:		
Ordinary Share of 1p each (2002 : £1 each)	<u>10,000</u>	<u>1,000</u>
Issued and Fully Paid:		
Ordinary Share of 1p each (2002 : £1 each)	<u>6,964</u>	<u>882</u>

Shares issued during the year:	Number	Nominal Value	Consideration Received
'A' Ordinary Shares of 1p each	196,400	1,964	108,778
'B' Ordinary Shares of 1p each	500,000	5,000	100,000

	Accumulated Reserve £	Accumulated Reserve £
11. Reserves		
Balance b/forward	(72,746)	(62,430)
(Loss) for the Year	(66,812)	(10,316)
	<u>(139,558)</u>	<u>(72,746)</u>

12. Corporation Tax

Year ended 31.12.2003	<u>-</u>	<u>-</u>
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13. Girobank receipts

The girobank receipts have been allocated between subscriptions and donations.

TRIBUNE PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

	Notes	2003 £	2002 £
Income			
Sales		28,759	31,456
Subscriptions		87,124	81,612
Advertising Revenue		80,692	92,429
Miscellaneous sales income		8,623	-
		<u>205,198</u>	<u>205,497</u>
Less Expenditure			
Newsprint, Printing, Photographs etc		88,002	84,711
Despatch		3,365	4,947
Editorial Expenses		<u>62,274</u>	<u>54,516</u>
		<u>(153,641)</u>	<u>(144,174)</u>
Gross Profit		51,557	61,323
Less Overheads			
Salaries and National Insurance		62,274	54,517
Circularisation and Sales Promotion		3,176	4,591
Office Rent, Rates, Telephone and Insurance		25,847	29,881
Office Stationery		8,449	15,489
Travelling and Sundry Expenses		5,154	1,804
Audit and Accountancy Fees		1,560	2,561
Bank Charges		1,713	3,010
Depreciation		2,923	2,581
Legal & Professional		9,563	1,030
Repairs & Renewals		458	-
Miscellaneous Expenses		362	-
Bad Debts		10,000	-
Relocation Expenses		-	(1,250)
Write off of TGWU rent creditor		-	(8,500)
Audit fee adjustment		(1,205)	(500)
Write back of depreciation on fixed asset written off		<u>-</u>	<u>(49)</u>
		<u>(130,274)</u>	<u>(105,165)</u>
Trading (Loss) for the year		(78,717)	(43,842)
Less Other Income			
Interest Received		995	471
Donations	3	10,910	33,055
Corporation Tax for current year		<u>-</u>	<u>-</u>
		<u>11,905</u>	<u>33,526</u>
Net (Loss)		<u>(66,812)</u>	<u>(10,316)</u>

TRIBUNE PUBLICATIONS LIMITED

AUDITORS' REPORT

Independent Auditor's Report to the Members of Tribune Publications Limited

We have audited the financial statements of Tribune Publications for the year ended 31st December 2003 which are set out on pages 1 to 4. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Our report is made solely to the Company's members, as a body, in accordance with Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matter we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

Company law requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the loss of the Company for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue.*

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. It is 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

TRIBUNE PUBLICATIONS LIMITED

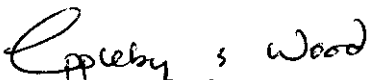
AUDITORS' REPORT (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

26 October 2004

3 The Office Village
Stratford
London E15 4EA


APPLEBY & WOOD
Registered Auditors