

**Emap Elan East Limited**  
(formerly Wagadon Limited)

**Report and Accounts**

**For the 15 months ended 31 March 2000**

**Company Registered No. 1397483**



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**Emap Elan East Limited**  
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**For the 15 months ended 31 March 2000**

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# **Emap Elan East Limited**

## **DIRECTORS**

D J Davies

B W McIlheney (appointed 14/9/00)

## **SECRETARY**

D K Walmsley

## **AUDITORS**

PricewaterhouseCoopers

1 Embankment Place

London

WC2N 6NN

## **REGISTERED OFFICE**

1 Lincoln Court

Lincoln Road

Peterborough

PE1 2RF

## **COMPANY NUMBER**

1397483

# **Emap Elan East Limited**

## **Directors' Report**

### **For the 15 months ended 31 March 2000**

The directors submit their report and accounts for the 15 months ended 31 March 2000.

#### **Results and dividends**

The loss for the period after taxation amounted to £373,000 (1998 - £644,000). Due to the retained losses, the directors are not in a position to declare a dividend (1999 - £nil).

The company changed its name from Wagadon Limited to Emap Elan East Limited during the 15 month period.

#### **Principal activity, review of the business and future developments**

The company publishes magazines in the UK. It is management's intention to endeavour to maintain and improve upon the present position through the development of the existing business.

#### **Directors and their interests**

The directors who served during the period were:

D J Davies	(appointed 31 March 2000)
P Keenan	(appointed 1 July 1999, resigned 14 September 2000)
D Joseph	(appointed 1 July 1999, resigned 1 March 2000)

The directors have no interests in the share capital of the company.

The interests of the directors in the share capital of the ultimate parent company, Emap plc, at the beginning (or the date of appointment if later) and the end of the period, were as follows:

	<b>Ordinary shares in issue</b>	
	<b>At 31 March 2000</b>	<b>At 1 January 1999</b>
P Keenan	3,879	534

	<b>Ordinary shares under option</b>			
	<b>At 1 January 1999</b>	<b>Granted in period</b>	<b>Exercised in period</b>	<b>At 31 March 2000</b>
P Keenan	7,199	-	-	7,199

# **Emap Elan East Limited**

## **Directors' Report**

### **For the 15 months ended 31 March 2000**

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period which 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 those financial statements, the directors are 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; 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 keeping proper accounting records which 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 1985. 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.

#### **Auditors**

Parker Cavendish resigned as auditors with effect from 30 June 1999. The directors appointed PricewaterhouseCoopers in their place. A resolution concerning their reappointment will be proposed at the Annual General Meeting.

Approved by the Board of Directors on 24 January, 2001 and signed on its behalf by:



**D K Walmsley**  
**Secretary**

# **Emap Elan East Limited**

## **Auditors' Report**

### **For the 15 months ended 31 March 2000**

#### **Auditors' report to the members of Emap Elan East Limited**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

#### **Basis of audit opinion**

We conducted our audit in accordance with 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 judgements 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 to 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.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2000 and of its loss for the fifteen month period then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers*

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
London

24 January, 2001

**Emap Elan East Limited**  
**Profit and Loss Account**  
**For the 15 months ended 31 March 2000**

	Note	15 months ended 31st March 2000	12 months ended 31st December 1998
		£'000	£'000
Turnover	2	9,568	10,445
Cost of sales		(7,233)	(7,915)
<b>Gross profit</b>		<b>2,335</b>	<b>2,530</b>
Distribution costs		(195)	(57)
Administrative expenses		(2,609)	(3,414)
<b>Operating (loss)</b>	3	<b>(469)</b>	<b>(941)</b>
Interest (payable)/receivable		(2)	40
<b>(Loss) on ordinary activities before taxation</b>		<b>(471)</b>	<b>(901)</b>
Taxation on loss on ordinary activities	5	98	257
<b>Retained loss for the financial year</b>		<b>(373)</b>	<b>(644)</b>

The above results relate to continuing operations.

The company has no recognised gains and losses other than those stated above and therefore no separate statement of recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

# Emap Elan East Limited

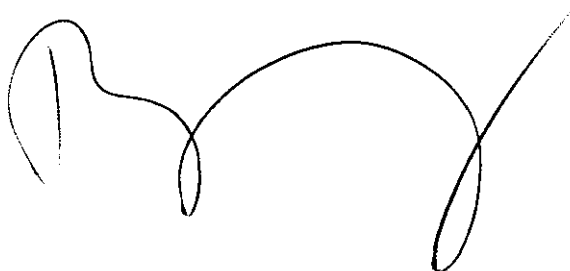
## Balance Sheet

At 31 March 2000

	Note	31st March 2000	31st December 1998
		£'000	£'000
<b>Fixed assets</b>			
Tangible assets	6	-	240
		-	240
<b>Current assets</b>			
Stocks	7	-	143
Debtors	8	1,486	3,052
Cash in hand		-	58
		1,486	3,253
<b>Creditors : amounts falling due within one year</b>	9	(1,507)	(3,141)
<b>Net current (liabilities)/assets</b>		(21)	112
<b>Net (liabilities)/assets</b>		(21)	352
<b>Capital and reserves</b>			
Called up share capital	11	50	50
Profit and loss account	12	(71)	302
<b>Total equity shareholder's funds</b>		(21)	352

Approved by the Board of Directors on 24 January, 2001:

B McIlheney  
Director





# **Emap Elan East Limited**

## **Notes to the accounts**

**For the 15 months ended 31 March 2000**

### **1 Accounting policies**

#### **Accounting convention**

These financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. A summary of the principal accounting policies is set out below.

#### **Depreciation**

The cost of tangible fixed assets less estimated residual value on disposal is written down evenly over their expected useful economic lives as follows :

Plant and equipment	3 to 12 years
---------------------	---------------

#### **Leasing**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

#### **Pensions**

The ultimate parent company, Emap plc, operates a defined contribution pension plan, Flexiplan, for eligible staff across the group. The group also operates a number of other schemes which are closed to new members. The principal scheme is the Emap Earnings Related Pension Plan, a defined benefit scheme which is funded by payments to trustee administered funds.

The cost of providing pensions under the group's defined benefit scheme is charged against profits on a systematic basis with pension surpluses and deficits arising allocated over the expected remaining service lives of current members.

The cost of providing pensions under the defined contribution scheme is charged to the profit and loss account as it becomes payable.

#### **Cash flow statement**

The company has taken advantage of the exemption provided by FRS 1 (revised 1996) not to prepare a cash flow statement. A consolidated group cash flow statement, which includes the cash flows of the company, can be found in the accounts of Emap plc.

### **2 Turnover**

Turnover represents invoiced and cash sales and is net of value added tax. Turnover and pre-tax loss from the continuing activity of magazine publishing arises primarily in the UK and is destined for UK customers.

**Emap Elan East Limited**  
**Notes to the accounts**  
**For the 15 months ended 31 March 2000**

**3 Operating profit/(loss)**

	2000 £'000	1998 £'000
<b>(a) This is stated after charging</b>		
Depreciation	-	80
Auditors remuneration - audit services	-	28
- non-audit services	25	-

No director received any emoluments in respect of their services to the company in either the current or preceding year.

Auditors remuneration for the 15 months ended 31 March 2000 was borne by Emap Consumer Media Limited.

Administrative expenses include £710k of costs associated with the reorganisation of the company as a result of the acquisition by Emap.

**4 Staff costs**

	2000 £'000	1998 £'000
<b>(a) Costs (including directors' emoluments)</b>		
Wages and salaries	1,331	1,928
Social security costs	134	190
Other pension costs	6	7
	<b>1,471</b>	<b>2,125</b>

**(b) Pension costs**

The company participates in pension schemes operated by the group. The two largest, one defined contribution, the other defined benefit, cover between them over 90% of total membership. In all cases the assets of the schemes are held in separate trustee administered funds. The most recent valuation of the defined benefit scheme was performed at 5 April 1997 by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. Particulars of the valuation are contained in the accounts of Emap plc.

**(c) Employees**

	2000 No	1998 No
The average number of employees during the year comprised:		
Full-time employees	34	66

**Emap Elan East Limited**  
**Notes to the accounts**  
For the 15 months ended 31 March 2000

**5 Tax on loss on ordinary activities**

	2000 £'000	1998 £'000
UK corporation tax on the taxable loss for the year at 30% (1999 - 31%)	98	(257)
	<u>98</u>	<u>(257)</u>

**6 Tangible fixed assets**

	Fixtures & Fittings £'000
Cost	
At 1 January 1999	545
Disposals	(545)
	<u>-</u>
At 31 March 2000	-
Depreciation	
At 1 January 1999	305
Disposals	(305)
	<u>-</u>
At 31 March 1999	-
Net book value at 31 March 2000	<u>-</u>
Net book value at 31 December 1998	<u>240</u>

**7 Stock**

	2000 £'000	1998 £'000
Raw materials and consumables	-	143
	<u>-</u>	<u>143</u>

**Emap Elan East Limited**  
**Notes to the accounts**  
For the 15 months ended 31 March 2000

**8 Debtors**

	2000 £'000	1998 £'000
Trade debtors	462	2,545
Corporation tax recoverable	-	291
Other debtors	40	41
Prepayments and accrued income	-	142
Other taxes and social security costs	-	33
Amounts owed by group undertakings	861	-
Deferred tax (see note 10)	123	-
	<b>1,486</b>	<b>3,052</b>

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

	2000 £'000	1998 £'000
Trade creditors	-	1,810
Amounts owed to group undertakings	1,414	-
Other creditors	83	680
Deferred tax (see note 10)	-	14
Other taxes and social security costs	-	107
Accruals and deferred income	10	530
	<b>1,507</b>	<b>3,141</b>

**10 Deferred Taxation**

Full provision for deferred tax has been made as in the opinion of the directors the timing difference will crystallise. The deferred tax asset is as follows:

	2000 £'000	1998 £'000
Capital allowances in advance of depreciation	-	(14)
Other timing differences	123	-
	<b>123</b>	<b>(14)</b>

**11 Called up share capital**

The called up share capital at 31 March 2000 and 31 December 1998 comprised 50,000 authorised, issued and fully paid ordinary shares of £1 each.

**Emap Elan East Limited**  
**Notes to the accounts**  
For the 15 months ended 31 March 2000

**12 Profit and loss account**

	Share Capital £'000	Profit & Loss £'000	Total £'000
At 1 January 1999	50	302	352
Loss for the year	-	(373)	(373)
<b>At 31 March 2000</b>	<b>50</b>	<b>(71)</b>	<b>(21)</b>

**13 Ultimate parent company**

The ultimate parent company of the group of undertakings for which group accounts are drawn up and of which the company is a member is Emap plc, registered in England and Wales. Emap plc is the company's controlling party. Copies of the accounts of Emap plc can be obtained from 1 Lincoln Court, Lincoln Road, Peterborough, PE1 2RF.

**14 Related party transactions**

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available under the Financial Reporting Standard No.8 "Related Party Disclosures".