

Emap East Limited

(formerly Emap Elan East Limited)

Report and Accounts



For the year ended 31 March 2003

Company Registered No. 1397483

Emap East Limited
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For the year ended 31 March 2003

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Emap East Limited

Directors, officer and adviser

DIRECTORS

D J Davies
B W McIlheney

SECRETARY

M R Henson

AUDITORS

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

REGISTERED OFFICE

Wentworth House
Wentworth Street
Peterborough
PE1 1DS

COMPANY NUMBER

1397483

Emap East Limited

Directors' Report

For the year ended 31 March 2003

The directors submit their report and accounts for the year ended 31 March 2003.

Results and dividends

The profit for the year after taxation amounted to £28,000 (2002 - loss of £904,000). The directors do not recommend the payment of a dividend (2002 - £nil). The profit to be transferred to reserves is £28,000 (2002 - loss of £904,000).

Principal activity, review of the business and future developments

On 1 April 2002, the business and assets of the company were sold to Emap Consumer Media Limited. At that date, the company ceased to trade. Since February 2003, the company has published magazines as an agent of Emap Consumer Media Limited.

The name of the company was changed by special resolution from Emap Elan East Limited, passed on 12 February 2003.

Directors and their interests

The directors who served during the period were:

D J Davies
B W McIlheney

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 of the year (or date of appointment if later), and at the end of the year were as follows:

	Ordinary shares in issue	
	At 31 March 2003	At 1 April 2002
D J Davies	674	1,287
B W McIlheney	11,374	364

Ordinary shares under option

	At 1 April 2002	Granted in year	Exercised in year	At 31 March 2003
D J Davies	25,018	22,234	(217)	47,035
B W McIlheney	27,561	25,587	-	53,148

Shares provisionally allocated under the Executive Share Plan

	At 1 April 2002	Allocated in year	Released in year	At 31 March 2003
D J Davies	833	-	(833)	-
B W McIlheney	38,059	839	(33,617)	5,281

Insurance of directors

Throughout the year Directors' and Officers' liability insurance has been maintained by the ultimate parent company, EMAP plc.

Emap East Limited

Directors' Report

For the year ended 31 March 2003

Employees

The Directors attach great importance to keeping staff fully informed of the Company's financial progress to involve them as much as possible in the activities of the Company. Consultations take place regularly with the information being disseminated through the Group's intranet, planetemap. Periodic surveys seeking staff views on communications and benefits are conducted.

In addition the Group runs regular staff benefit road shows in the UK, promoting share plans, the pension plan, Flexiplan, and the Group's flexible benefit programme, Lifemap. The Group's share plans and pension plan have won a number of industry awards.

Employee share schemes

Emap plc has always been an enthusiastic supporter of wider share ownership amongst its employees to ensure they are able to share in the value they have helped to create. Accordingly Emap plc operates a number of share plans.

Employee take-up of those plans as a percentage of the Group's eligible staff is 94% in the UK Share Plan; 23% in the UK SAYE scheme; and 83% of the entire group staff have an interest in Emap shares.

Through the Emap Share Plan, Emap plc has this year offered free shares to the value of £800 (2002 - £800) to qualifying staff. Sharemap is part of Lifemap, the Group's flexible benefits plan and allows staff to save up to £1,500 a year to buy shares in Emap plc. The Group will then match the cumulative investment in shares on a one to one basis. The Emap SAYE scheme has now run for 18 years.

Disabled employees

Disabled employees are given the same consideration as others and, depending on their skills and abilities, will enjoy the same training, development and prospects as other staff. Employees who become disabled during their employment with the Company will be retained wherever possible and encouraged to develop their careers.

Auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors to fill the casual vacancy. The Company has elected under section 386 of the Companies Act 1985 not to re-appoint auditors annually. Therefore the auditors, PricewaterhouseCoopers LLP are deemed to be re-appointed for the next financial year.

Approved by the Board of Directors on 20 November 2003



M R Henson
Secretary

Emap East Limited

Directors' responsibilities for the preparation of the financial statements

Company law requires the directors 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 profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Emap East Limited

Independent Auditors' Report

For the year ended 31 March 2003

Independent auditors' report to the members of Emap Elan East Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 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. The other information comprises only the directors' report.

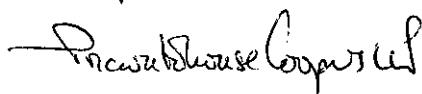
Basis of audit opinion

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

20 November 2003

Emap East Limited
Profit and Loss Account
For the year ended 31 March 2003

	<i>Note</i>	2003	2002
		£'000	£'000
Turnover	2	218	8,077
Cost of sales		(218)	(8,276)
Gross loss		-	(199)
Distribution costs		-	(278)
Administrative expenses		-	(763)
Loss on ordinary activities before taxation		-	(1,240)
Taxation on loss on ordinary activities	6	28	336
Retained profit/(loss) for the financial year	11	28	(904)

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.

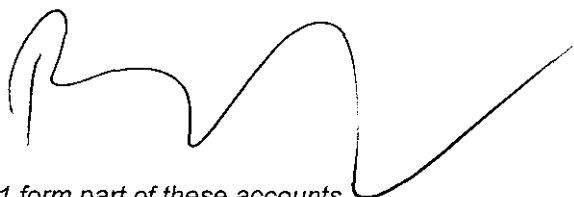
The notes on pages 8 to 11 form part of these accounts.

Emap East Limited
Balance Sheet
At 31 March 2003

	Note	2003	2002
		£'000	£'000
Current assets			
Debtors	7	56	551
Creditors : amounts falling due within one year	8	(587)	(1,110)
Net liabilities		<u>(531)</u>	<u>(559)</u>
Capital and reserves			
Called up share capital	10	50	50
Profit and loss account	11	(581)	(609)
Total equity shareholders' deficit		<u>(531)</u>	<u>(559)</u>

Approved by the Board of Directors on 20 November 2003

B McIlheney
Director



The notes on pages 8 to 11 form part of these accounts.

Emap East Limited

Notes to the accounts

For the year ended 31 March 2003

1 Accounting policies

(a) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with all applicable UK accounting standards.

A summary of the principal accounting policies adopted by the Directors is set out below.

(b) Going concern

The Company is dependent on continuing financial support made available by Emap plc. Continuing financial support is required both to enable the company to meet its liabilities as they fall due and to continue operating without immediate realisation of all its assets. The ultimate parent company, Emap plc, has confirmed its intention to maintain its financial support for the foreseeable future.

(c) 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.

(d) 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 schemes 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.

(e) Cash flow statement

The company has taken advantage of the exemption provided by Financial Reporting Standard (FRS) 1 (revised 1996) "Cash flow statements" 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.

(f) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Tax deferred or accelerated by the effect of timing differences is accounted for to the extent that a transaction or event that has occurred at the balance sheet date gives rise to an obligation to pay more tax or a right to pay less tax in the future. Deferred tax assets are only recognised to the extent that, based on available evidence, it is more likely than not that suitable taxable profits will arise from which the reversal of the assets can be deducted.

2 Turnover

Turnover represents sales net of value added taxes. News-stand circulation and advertising revenue relating to a magazine is recognised on the date that it goes on sale. Subscription revenues are shown as deferred income and released to the profit and loss account over the life of the subscription.

Turnover from the continuing activity of magazine publishing arises primarily in the UK and is destined for UK customers.

Emap East Limited
Notes to the accounts
For the year ended 31 March 2003

3 Operating (loss)/profit

- (a) Auditors remuneration for both years was borne by Emap Consumer Media Limited.
- (b) Administrative expenses include £nil (2002 - £100,000) of costs associated with the reorganisation of the company.

4 Directors' emoluments

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

5 Staff costs

	2003 £'000	2002 £'000
(a) Costs		
Wages and salaries	194	1,054
Social security costs	19	112
Other pension costs	5	41
	<u>218</u>	<u>1,207</u>

(b) Pension costs

The company participates in pension schemes operated by the group, one defined contribution, the other defined benefit. In all cases the assets of the schemes are held in separate trustee administered funds.

The latest actuarial assessment of the main defined benefit scheme was at 5 April 2000, further details of which can be found in the annual report and accounts of EMAP plc.

	2003 No	2002 No
(c) Employees		
The average number of employees during the year comprised:		
Full-time employees	<u>6</u>	<u>27</u>

6 Tax on profit on ordinary activities

	2003 £'000	2002 £'000
UK corporation tax (credit) on taxable loss for the year at 30% (2002 - 30%)	-	(339)
Corporation tax prior year adjustments	(39)	-
Deferred taxation	11	3
	<u>(28)</u>	<u>(336)</u>

Emap East Limited
Notes to the accounts
For the year ended 31 March 2003

6 Tax on profit on ordinary activities (contd)

The difference between tax as per the financial statements and tax at the UK nominal rate is explained below:

	2003 £'000	2002 £'000
Loss before tax	-	(1,240)
Tax credit at 30%	-	372
Adjustments in respect of prior years (corporation tax)	39	-
Adjustments in respect of prior years (deferred tax)	(11)	-
Permanent differences	-	(36)
Tax credit for the current year	28	336

7 Debtors

	2003 £'000	2002 £'000
Other debtors	-	56
Amounts owed by group undertakings	56	484
Deferred tax (see note 9)	-	11
	56	551

8 Creditors: amounts falling due within one year

	2003 £'000	2002 £'000
Amounts owed to group undertakings	587	1,016
Other creditors	-	83
Accruals and deferred income	-	11
	587	1,110

9 Deferred Taxation (asset)

	2003 £'000	2002 £'000
Capital allowances in advance of depreciation	-	(11)

10 Called up share capital

The called up share capital at 31 March 2003 and 31 March 2002 comprised 50,000 authorised, issued and fully paid ordinary shares of £1 each.

Emap East Limited
Notes to the accounts
For the year ended 31 March 2003

11 Reconciliation of movements on shareholders' deficit

	Share Capital £'000	Profit & Loss £'000	Total £'000
At 1 April 2002	50	(609)	(559)
Loss for the financial year	-	28	28
At 31 March 2003	50	(581)	(531)

12 Leasing commitments

The company had annual commitments under non-cancellable operating leases at 31 March 2003 and 31 March 2002 as set out below:

	2003 Land and Buildings £'000	2002 Land and Buildings £'000
Leases expiring between two and five years	-	224
Leases expiring after five years	-	135
	-	359

13 Related party transactions

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available under FRS.8 "Related Party Disclosures".

14 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 Wentworth House, Wentworth Street, Peterborough, PE1 1DS.