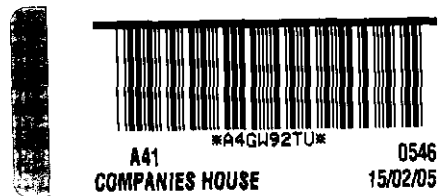


GUARDIAN GRAPHICS LIMITED

**Directors' Report and Financial Statements
for the 52 weeks ended 26 December 2004**



REPORT AND FINANCIAL STATEMENTS 2004

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DIRECTORS' REPORT

The directors present their report and the financial statements for the 52 weeks ended 26 December 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company has not traded during the period.

DIRECTORS

The directors who served during the period are listed below

P Davidson

P Hunter

DIRECTORS' RESPONSIBILITIES

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 as at the end of the financial year and of the profit or loss of the company for that year. 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;
- 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.

DIRECTORS INTERESTS IN SHARES AND DEBENTURES

None of the directors at 26 December 2004, whose interest in shares and debentures of group companies require to be notified to the company, had any such interest at that date or at 28 December 2003.

This report was approved by the Board on 4 January 2005 and signed on its behalf.



Neil Carpenter
Secretary

GUARDIAN GRAPHICS LIMITED

BALANCE SHEET

26 December 2004 (note 1)

	Note	2004 £	2003 £
CURRENT ASSETS			
Debtors	2	100	100
NET ASSETS		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	3	100	100
SHAREHOLDERS' FUNDS - All equity		<u>100</u>	<u>100</u>

For the period ended 26 December 2004 the company was entitled to exemption under Section 249AA (1) of the Companies Act 1985.

Members have not required the company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of 249B.

The directors acknowledge their responsibility for:

- i). ensuring the company keeps accounting records which comply with section 221: and
- ii). preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company

The financial statements on pages 2 to 3 were approved by the Board on 4 January 2005 and signed on its behalf.



P Hunter

Director

NOTES TO THE ACCOUNTS

52 weeks ended 26 December 2004

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Accounting period

The balance sheets for 2004 and 2003 have been drawn up at 26 December 2004 and 28 December 2003 respectively.

Cash flow statement

At 26 December 2004 the company was a wholly owned subsidiary and the consolidated financial statements in which the company is included are publicly available. Therefore, a cash flow statement is not required under Financial Reporting Standard 1.

2. DEBTORS

	2004 £	2003 £
Due within one year:		
Amounts owed by group undertaking	100	100
	<u>100</u>	<u>100</u>

3. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised:		
10,000 ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

4. EMPLOYEES AND DIRECTORS

The company had no employees in 2004 (2003 – nil). Directors remuneration in 2004 was £nil (2003 – £nil).

5. RELATED PARTIES

The company is included in the consolidated financial statements of its ultimate parent company. These financial statements are publicly available, therefore, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosure of transactions with entities that are part of the group or investees of the group qualifying as related parties.

6. ULTIMATE PARENT COMPANY

The company's ultimate parent and controlling company is Gannett Co., Inc., a company incorporated in the United States of America. The controlling company of the Newsquest group of companies in the United Kingdom is Gannett U.K. Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Gannett Co., Inc. and Gannett U.K. Limited comprise respectively the largest and smallest groups of which the company is a member that prepares consolidated financial statements. The annual report and consolidated financial statements of Gannett Co., Inc. can be obtained from the Secretary, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107. The annual report and consolidated financial statements of Gannett U.K. Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.