

Company Registration number: 1654777

**CAMPAIGN FREE NEWSPAPERS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

for the six months ended  
28 JUNE 1997



CAMPAIGN FREE NEWSPAPERS LIMITED

REPORT OF THE DIRECTORS

For the six months ended 28 June 1997

The directors present their report and audited financial statements for the six months ended 28 June 1997.

**ACTIVITIES**

On 30 June 1993, the company ceased trading and the business and related assets and liabilities were transferred to South Wales Argus Limited.

**DIRECTORS**

Directors serving during the period:-

Secretarial Co (1996) Limited	Chairman
E M Evans	
S R Walters	

CAMPAIGN FREE NEWSPAPERS LIMITED

REPORT OF THE DIRECTORS

For the six months ended 28 JUNE 1997

(continued)

**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 for the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors are required to

- (1) select suitable accounting policies and then apply them consistently;
- (2) make judgements and estimates that are reasonable and prudent;
- (3) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (4) 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 to enable them to ensure that the financial statements comply with 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 any other irregularities.

CAMPAIGN FREE NEWSPAPERS LIMITED

REPORT OF THE DIRECTORS

For the six months ended 28 JUNE 1997

(continued)

**DIRECTORS' SHARE INTERESTS**

The company's ultimate holding company is Southern Newspapers PLC. The interests, including share option entitlements, of those directors who were not also directors of the ultimate holding company, together with the interests of their families, in the shares of the ultimate holding company, were nil.

No director had any interest in the shares of the company, nor in any fellow subsidiary undertaking.

**DIRECTORS' INSURANCE**

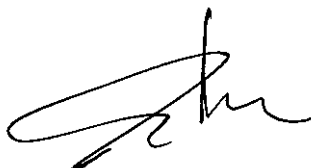
Directors' and Officers' Liability Insurance cover was in place throughout the period.

**AUDITORS**

Burnett Swayne, Chartered Accountants, have intimated their willingness to continue in office as Auditors.

This report was approved by the Board on 16 September 1997.

Newspaper House,  
Test Lane,  
Redbridge,  
Southampton. SO16 9JX.



S C Hedger  
Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
CAMPAIGN FREE NEWSPAPERS LIMITED

For the six months ended 28 JUNE 1997

We have audited the financial statements on pages 6 to 10 which have been prepared on the basis of the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of 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 company's affairs as at 28 June 1997 and have been properly prepared in accordance with the Companies Act 1985.



**BURNETT SWAYNE**

Chartered Accountants and Registered Auditors

Southampton

16 September 1997

CAMPAIGN FREE NEWSPAPERS LIMITEDPROFIT AND LOSS ACCOUNTFor the six months ended 28 JUNE 1997

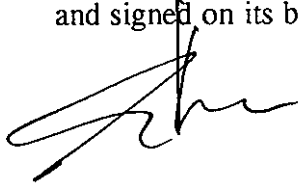
	<u>Notes</u>	Discontinued Operations <u>1997</u> £	Discontinued Operations <u>12 Months Dec '96</u> £
Exceptional Items	2	-	5,000
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION</b>		-	(5,000)
		<hr/> <hr/>	<hr/> <hr/>

CAMPAIGN FREE NEWSPAPERS LIMITED

BALANCE SHEET at 28 JUNE 1997

	<u>Notes</u>	<u>28 June</u> <u>1997</u> £	<u>31 December</u> <u>1996</u> £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3	5,000	5,000
Profit and Loss Account	4	(5,000)	(5,000)
		<hr/>	<hr/>
		-	-
		<hr/>	<hr/>

The financial statements on pages 6 to 10 were approved by the Board on 16 September 1997 and signed on its behalf by:-



S C Hedger  
Duly authorised for  
Secretarial Co (1996) Limited      Director

CAMPAIGN FREE NEWSPAPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 28 JUNE 1997

**1. ACCOUNTING POLICIES**

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards



CAMPAIGN FREE NEWSPAPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 28 JUNE 1997

(continued)

**2. EXCEPTIONAL ITEMS**

	<u>1997</u>	<u>1996</u>
	£	£
Write off in respect of amounts due from Subsidiary Undertaking	-	5,000
	<hr/>	<hr/>

**3. CALLED UP SHARE CAPITAL**

	<u>1997</u>	<u>1996</u>
	£	£
Authorised:		
5,000 ordinary shares of £1 each	5,000	5,000
	<hr/>	<hr/>
Allotted and fully paid:		
5,000 ordinary shares of £1 each	5,000	5,000
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**4. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

	<u>1997</u>	<u>1996</u>
	£	£
Net increase/(decrease) in shareholders Funds		
Loss for the financial period	-	(5,000)
Opening shareholders funds	-	5,000
	<hr/>	<hr/>
Closing shareholders funds	-	-
	<hr/>	<hr/>

CAMPAIGN FREE NEWSPAPERS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFor the six months ended 28 JUNE 1997(continued)**5. DIRECTORS' EMOLUMENTS**

	<u>1997</u>	<u>1996</u>
	£	£
Directors' remuneration, excluding pension contributions, was as follows:		
Chairman	-	-
Highest paid director	-	-
	<hr/>	<hr/>

Directors' remuneration was within the following bands:

	<u>1997</u>	<u>1996</u>
	No.	No.
£0 - £5,000	3	5

**6. ULTIMATE HOLDING COMPANY**

The Directors consider Southern Newspapers PLC, a company registered in England and Wales, to be the company's ultimate holding company. Copies of the group accounts of Southern Newspapers PLC can be obtained from the Company Secretary at Newspaper House, Test Lane, Redbridge, Southampton. SO16 9JX.