

WATERS EDGE PUBLISHING LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1999



WATERS EDGE PUBLISHING LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 1999

The directors present their report and the unaudited financial statements of the Company for the year ended 31 December 1999.

ACTIVITIES

During the year the Company did not trade, incurred no liabilities and consequently, made neither profit nor loss. No changes in the Company's activities are expected in the foreseeable future. The directors do not recommend payment of a dividend (1998: £nil).

DIRECTORS AND DIRECTORS' INTERESTS

The following directors held office during the year:

Crosswall Nominees Limited
UNM Investments Limited

None of the directors had any interest in the shares of the Company during the year, or in the shares of United News & Media plc ("United"), the ultimate parent company.

YEAR 2000

As the Company does not itself undertake any operating activities, it is not directly exposed to potential commercial disruption caused by the year 2000 issue. The Company may however be adversely affected by the inability of third parties to manage the year 2000 issue and the directors of the Company have taken appropriate actions to minimise the risk where it has been assessed as significant. The Company has not incurred any additional costs in respect of the year 2000 issue.

AUDITORS

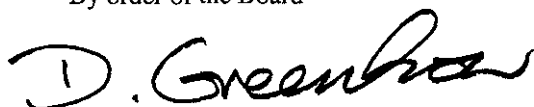
The Company has exercised its entitlement under Section 250 Companies Act 1985 (as amended) to dispense with the requirement to appoint auditors.

LAYING OF REPORTS AND ACCOUNTS

The Company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the company in general meeting.

Under the provisions of Section 253(2) of the Companies Act 1985 (as amended), a member has the right to require the reports and accounts to be laid therefore the company in general meeting. The member must deposit notice of intention to exercise such right at the registered office of the company within twenty-eight days of the date of this report.

By order of the Board



Crosswall Nominees Limited
Secretary

Date

03 OCT 2000

WATERS EDGE PUBLISHING LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1999

	Note	31 December 1999 £'000	31 December 1998 £'000
CURRENT LIABILITIES			
Creditors: amount due to ultimate parent undertaking company		(941)	(941)
TOTAL ASSETS		<u>(941)</u>	<u>(941)</u>
CAPITAL AND RESERVES			
Called up share capital	3	-	-
Profit and loss account		(941)	(941)
Equity shareholders' funds		<u>(941)</u>	<u>(941)</u>

The Company was dormant within the meaning of Section 250 Companies Act 1985 (as amended) throughout the year ended 31 December 1999.

The financial statement on pages 3 to 4 were approved by the board of directors and were signed on its behalf by:



UNM Investments Limited
Director

Date

03 OCT 2000

WATERS EDGE PUBLISHING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 1999

1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

2 EMPLOYEES AND DIRECTORS' EMOLUMENTS

The Company had no employees during the year (1998: nil).

None of the directors received any emoluments in respect of their services to the Company during the year (1998: £nil).

3 CALLED UP SHARE CAPITAL

	1999 £'000	1998 £'000
Authorised:		
100 ordinary shares of £1 each	<u>-</u>	<u>-</u>
Allotted and fully paid:		
100 ordinary shares of £1 each	<u>-</u>	<u>-</u>

4 ULTIMATE PARENT COMPANY

The ultimate parent company is United which is registered in England and Wales. Copies of the accounts of United may be obtained from the Secretary at Ludgate House, 245 Blackfriars Road, London SE1 9UY.