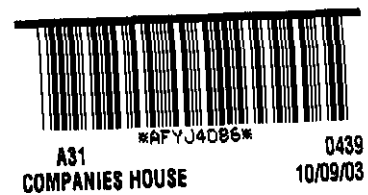


## **Western Regional Publishing Limited**

Financial statements for the year ended 30 March 2003  
together with the directors' and independent auditors reports

Registered number: 2232965



## Directors' report

For the year ended 30 March 2003

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditors' report for the year ended 30 March 2003.

### Principal activities

Until 28 March 2003, the principal activity of the company continued to be that of an agent acting as publisher of the classified advertising magazine Western AdTrader, on behalf of its principal the Western Auto Trader Partnership.

### Review of business and future developments

On 28 March 2003, the partnership that acted as principal in the agency agreement referred to above, was dissolved and the agency agreement terminated. The company then became a direct subsidiary of Trader Publishing Limited. From 31 March 2003 it carried on the business of Western AdTrader in its own right as principal.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

### Directors and their interests

The directors who served during the year were as follows:

A A Miller (Appointed 19 November 2002)

B G Muirhead

J R Harris (Resigned 19 November 2002)

The directors had no interest in the shares of the company required to be disclosed under Schedule 7 of the Companies Act 1985. The interests of the directors in the shares of the ultimate parent company are shown in the directors' report of that company.

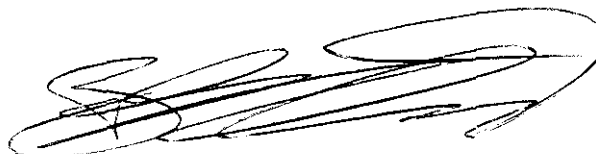
### Auditors

During the year, Arthur Andersen resigned as the Company's auditors following the agreement it reached with Deloitte & Touche under which partners and staff from Arthur Andersen joined Deloitte & Touche. The directors used their powers under the Companies Act 1985 to appoint Deloitte & Touche as the Company's auditors to fill the vacancy created by Arthur Andersen's resignation.

6 Thatcham Business Village  
Colthrop Lane  
Thatcham  
Berkshire  
RG19 4LW

22 May 2003

By order of the Board,



B G Muirhead  
Director

## Statement of directors' responsibilities

30 March 2003

United Kingdom 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. 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent auditor's report to the Members of Western Regional Publishing Limited

We have audited the financial statements of Western Regional Publishing Limited for the year ended 30 March 2003 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of opinion**

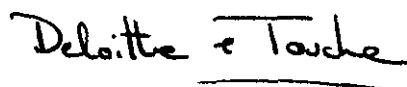
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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.

Independent auditor's report to the Members of Western Regional Publishing Limited  
(continued)

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30 March 2003 and of the company's result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script that reads "Deloitte & Touche". The signature is written in dark ink and is positioned above a horizontal line.

**Deloitte & Touche**  
**Chartered Accountants and Registered Auditors**

**Reading**

**22 May 2003**

# Profit and Loss Account

For the year ended 30 March 2003

	Note	2003 £'000	2002 £'000
<b>Turnover</b>	1	3,108	2,846
Cost of sales		(800)	(793)
<b>Gross profit</b>		2,308	2,053
Distribution costs		(24)	(6)
Administration expenses		(578)	(542)
<b>Operating profit being profit on ordinary activities before taxation</b>		1,706	1,505
Tax on profit on ordinary activities	5	1	(1)
		1,707	1,504
<b>Transfer profits to Western Auto Trader</b>		(1,707)	(1,504)
<b>Profit for the financial year being retained profit for the year</b>		-	-

There are no recognised gains or losses other than those included in the results above; accordingly no statement of total recognised gains and losses is presented.

The results in both years relate to continuing operations.

The accompanying notes are an integral part of this profit and loss account.

# Balance sheet

30 March 2003

	Note	2003 £'000	2002 £'000
<b>Fixed assets</b>			
Tangible assets	6	101	-
		<u>101</u>	<u>-</u>
<b>Current assets</b>			
Debtors	7	480	1,091
Cash at bank and in hand		1,693	1,150
		<u>2,173</u>	<u>2,241</u>
<b>Creditors: Amounts falling due within one year</b>	8	(2,273)	(2,240)
<b>Total assets less current liabilities, being net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called-up share capital	9	1	1
<b>Equity shareholders' funds</b>	10, 11	<u>1</u>	<u>1</u>

Signed on behalf of the Board on 22 May 2003



B G Muirhead  
Director

The accompanying notes are an integral part of this balance sheet.

## Statement of accounting policies

30 March 2003

The principal accounting policies are summarised below, all of which have been applied consistently throughout the year and the preceding year.

### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

### **Cash flow statement**

The company has taken advantage of the exemption under Financial Reporting Statement 1 (Revised), from the requirement to produce a cash flow statement as it is a wholly owned subsidiary of Trader Media Group Limited, whose financial statements include a cashflow statement and are publicly available.

### **Pensions**

The company participates in a defined contribution scheme. Contributions to the scheme are charged to the profit and loss account each year in respect of pension costs payable in the year.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold buildings	50 years
Long leasehold buildings	50 years or life of lease if shorter
Production equipment	5 years
Office fixtures and equipment	3 to 10 years
Motor vehicles	5 years

### **Taxation**

UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured on a non-discounted basis.

### **Turnover**

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers during the year.



## Statement of accounting policies (continued)

### **Leases**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account over the life of the lease to produce a constant rate of charge on the outstanding capital balance, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as operating leases and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease, even if the payments are not made on such a basis.

# Notes to the financial statements

30 March 2003

## 1 Turnover

Turnover is attributable to the principal activity of the company and is earned entirely within the United Kingdom.

## 2 Audit fees

The auditors' remuneration charge for audit services, in both years, has been borne by a fellow group undertaking.

## 3 Directors' emoluments

Of the directors who served in the year, B G Muirhead and J R Harris received remuneration for their services as directors of Trader Media Group Limited and subsidiary undertakings. Their remuneration is disclosed in the accounts of Trader Media Group Limited. A A Miller received remuneration in respect of his services as a director of Trader Publishing Limited and fellow Trader Media Group undertakings. The remuneration of A A Miller, B G Muirhead and J R Harris was paid by Trader Publishing Limited. The allocation of this remuneration in relation to their services as directors of the company was £16,800 (2002: £18,000).

## 4 Employee information

The average monthly number of employees (including directors) was as follows:

	Total headcount		Full time equivalent	
	2003	2002	2003	2002
Administration	28	21	28	21
Sales	8	12	3	7
Production	4	4	3	3
	<u>40</u>	<u>37</u>	<u>34</u>	<u>31</u>

Their aggregate remuneration comprises:

	£'000	£'000
Wages and salaries	462	451
Social security costs	41	24
Other pension costs (note 13)	5	6
	<u>508</u>	<u>481</u>

## 5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2003 £'000	2002 £'000
Operating lease rentals		
- other	<u>35</u>	<u>39</u>

## Notes to the financial statements (continued)

### 6 Tax on profit on ordinary activities

	2003 £'000	2002 £'000
UK corporation tax	-	1
Adjustments in respect of prior years	(1)	-
<b>Total current tax</b>	<u>(1)</u>	<u>1</u>

The total current tax shown above is calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2003 £'000	2002 £'000
<b>Profit on ordinary activities before taxation</b>	<u>1,706</u>	<u>1,506</u>
Taxation on profit on ordinary activities at standard UK corporation tax rate of 30% (2002: 30%)	512	452
Group relief	(512)	(451)
Prior year adjustment to UK corporation tax	(1)	-
<b>Current taxation (credit) / charge for period</b>	<u>(1)</u>	<u>1</u>

There is no un-provided deferred tax.

### 6 Tangible fixed assets

	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>				
At beginning of year	-	-	-	-
Transfer from Planedge Limited	76	28	73	177
At end of year	<u>76</u>	<u>28</u>	<u>73</u>	<u>177</u>
<b>Depreciation</b>				
At beginning of year	-	-	-	-
Transfer from Planedge Limited	(7)	(27)	(42)	(76)
At end of year	<u>(7)</u>	<u>(27)</u>	<u>(42)</u>	<u>(76)</u>
<b>Net book value</b>				
At end of year	<u>69</u>	<u>1</u>	<u>31</u>	<u>101</u>
At beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# Notes to the financial statements (continued)

## 7 Debtors

Amounts falling due within one year:

	2003 £'000	2002 £'000
Trade debtors	451	361
Amounts owed by parent and subsidiary undertakings	11	724
Prepayments and accrued income	18	6
	<u>480</u>	<u>1,091</u>

## 8 Creditors: Amounts falling due within one year

	2003 £'000	2002 £'000
Trade creditors	78	6
Amounts owed to parent and subsidiary undertakings	2,049	2,116
Taxes and social security costs	56	32
Accruals and deferred income	90	86
	<u>2,273</u>	<u>2,240</u>

## 9 Called-up share capital

	2003 £	2002 £
<i>Authorised, allotted, issued and fully paid</i>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

## 10 Movement in reserves

	Profit and loss account	
	2003 £	2002 £
Opening balance	-	-
Profit for the year	-	-
Closing balance	<u>-</u>	<u>-</u>

## Notes to the financial statements (continued)

### 11 Reconciliation of movements in equity shareholders' funds

	2003 £'000	2002 £'000
Opening and closing shareholders' funds	<u>1</u>	<u>1</u>

### 12 Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings	
Expiry date:	2003 £'000	2002 £'000
- between one and two years	-	27
- between two and five years	24	48
	<u>24</u>	<u>75</u>

### 13 Pension scheme

The company participates in a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,000 (2002: £6,000).

### 14 Ultimate parent company

Until 28 March 2003, the company was jointly owned 50% by Purescope Limited and 50% by Planedge Limited, which are both incorporated in Great Britain and registered in England and Wales. Following a reorganisation on 28 March 2003, the company became a direct subsidiary of Trader Publishing Limited, a company incorporated in Great Britain and registered in England and Wales. The company's ultimate parent company is Trader Media Group Limited which is incorporated in Great Britain and registered in England and Wales.

The smallest group in which the results of this company are consolidated is that headed by Trader Publishing Limited. The largest group in which the results of the company are consolidated is that headed by the ultimate parent company. The consolidated financial statements of this group are available to the public and will be filed with the registrar of companies.