WILMINGTON MEDIA LIMITED Company Registration No 2676810

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Directors

R B Brookes
M Harrington
A Zahedieh

Registered Auditor

PKF (UK) LLP
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

Secretary and Registered Office

A Zahedieh
Paulton House
8 Shepherdess Walk
London
N1 7LB

WILMINGTON MEDIA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2005

The directors have pleasure in presenting their report together with the audited financial statements.

PRINCIPAL ACTIVITY

The main activity of the company is the publication of trade journals.

BUSINESS REVIEW

The results of the company are set out on page 6.

The business to business magazine market continues to be difficult, with traditional page advertising sustaining severe pressure. During the year the company has re-organised its operations for which some costs have been incurred. Also as part of this on the 30th June 2005, the trade, assets and liabilities of ETP Limited and Polygon Media Limited were transferred into Wilmington Media Limited at net book value. The directors believe the company is now in a stronger position to improve profitability in the future.

On 13 September 2005 the company completed the disposal of a portfolio of assets servicing the drinks market. The results of this business for the year to 30 June 2005 are shown as discontinued.

RESULTS AND DIVIDENDS

The loss on ordinary activities after interest and taxation amounted to £1,410,000 (2004 - £81,000 profit) on sales of £11,231,000 (2004 - £14,136,000).

DIRECTORS

The directors of the company during the year were as follows: -

N. J. Miller resigned 7th October 2004
R. B. Brookes
D. B. Wright resigned 31st December 2004
M. Harrington appointed 7th October 2004
A Zahedieh appointed 31st December 2004

WILMINGTON MEDIA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2005
(CONTINUED)

DIRECTORS' INTERESTS

None of the directors had any interest in the shares of the company during the year.

Wilmington Media Limited is a wholly owned subsidiary of Wilmington Group plc (the ultimate parent undertaking). The interests of R.B. Brookes and N J Miller (up to the date of his resignation) in the shares of the company's ultimate parent undertaking are disclosed in the directors' remuneration report of that company.
The interests of the other directors in the company's ultimate parent undertaking at the beginning and end of the year were as follows:-

	At 30 June 2005 Number	At 30 June 2004 Number
Wilmington Group plc Ordinary shares of 5p		
Beneficial interests		
D. B. Wright	-	32,650
M. Harrington	1,195,489	-
A. Zahedieh	2,348,805	-

Options to subscribe for ordinary shares of 5p each of Wilmington Group plc	Exercise Price	Exercise Period	At 30 June 2005	At 30 June 2004
Approved Scheme				
D. B. Wright	£2.175	Jun2004-Jun2008	-	13,790
M. Harrington	£0.615	Jun2006-Jun2010	41,000	-
M. Harrington	£1.185	Mar2007-Mar2011	4,000	-
Unapproved Scheme				
D. B. Wright	£1.815	Jun2001-Jun2005	-	55,000
D. B. Wright	£1.375	Oct2001-Oct2005	-	45,000
D. B. Wright	£2.175	Jun2004-Jun2008	-	26,210
D. B. Wright	£0.615	Mar2003-Mar2007	-	45,000
D. B. Wright	£1.185	Mar2007-Mar2011	-	30,000
M. Harrington	£1.185	Mar2007-Mar2011	26,000	-
Savings – Related Option Scheme				
D. B. Wright	£2.308	Dec2004-Jun2005	-	2,924

WILMINGTON MEDIA LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2005
(CONTINUED)**

STATEMENT OF 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 the affairs of the company at the end of the period and of the profit or loss 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;
- prepare the financial statements on a 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.

The directors are responsible for ensuring that the directors' report is prepared in accordance with company law in the United Kingdom.

STAFF

The directors thank the staff for their contribution to the company and will continue to involve them in its development and performance.

EMPLOYEE INVOLVEMENT

The company places a great deal of importance on communicating its plans and objectives to all its staff and where appropriate, consulting with them. Within the company, the profit centres are run by experienced business managers whose remuneration is linked to revenue and / or profit achievements.

EMPLOYMENT OF DISABLED PERSONS

It is the company's policy to give full and fair consideration to applications for employment from people who are disabled, to continue, where possible, the employment of employees who become disabled and to provide equal opportunities for the career development of disabled employees.

WILMINGTON MEDIA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2005
(CONTINUED)

CREDITOR PAYMENT POLICY

The company endeavours to settle payments to its suppliers in accordance with mutually agreed terms and conditions of business. The estimated time taken to pay suppliers was 55 days (2004 – 42 days).

AUDITORS

On 23 May 2005, PKF transferred their business to PKF (UK) LLP, a limited liability partnership. Under section 26(5) of the Companies Act 1989, the company consented to extend the audit appointment to PKF (UK) LLP from 23 May 2005. Accordingly, the audit report has been signed in the name of PKF (UK) LLP and a resolution for the reappointment of PKF (UK) LLP will be proposed at the forthcoming annual general meeting.

By order of the board

A Zahedieh
Secretary

Registered office:

Paulton House
8 Shepherdess Walk
London N1 7LB

2676810

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WILMINGTON MEDIA LIMITED

We have audited the financial statements of Wilmington Media Limited for the year ended 30 June 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 audit 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 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 affairs of the company as at 30 June 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PKF (UK) LLP
Registered Auditors
London, UK

22 September 2005

2676810

WILMINGTON MEDIA LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 £'000	2004 As restated £'000
Turnover			
Continuing operations		7,811	8,159
Discontinued operations		3,420	5,977
	2	11,231	14,136
Cost of sales	3	(2,873)	(3,872)
Gross profit		**8,358**	**10,264**
Operating expenses	3	(8,331)	(10,626)
Restructuring costs	4	(520)	-
Loss on waiving intercompany debt	4	(447)	-
Amortisation of intangible assets	3/9	(1,483)	(286)
Operating loss			
Continuing operations		(2,534)	(335)
Discontinued operations		111	(313)
	4	(2,423)	(648)
Exceptional items:			
Profit on disposal of discontinued operations	4	-	577
Income from shares in group undertakings		850	100
Interest payable and similar charges	7	(145)	(213)
Loss on ordinary activities before taxation		**(1,718)**	**(184)**
Tax on loss on ordinary activities	8	308	265
Retained (loss)/profit for the year	18	**(1,410)**	**81**

There were no recognised gains or losses for the period other than those included in the profit and loss account.

The accompanying notes are an integral part of these accounts

WILMINGTON MEDIA LIMITED

BALANCE SHEET
AS AT 30 JUNE 2005

	Notes	2005 £'000	2004 £'000
Fixed Assets			
Intangible assets	9	7,338	3,446
Tangible assets	10	2,944	2,889
Investments	11	379	584
		10,661	6,919
Current Assets			
Stocks	12	418	223
Debtors:			
Amounts falling due after more than 1year	13	-	507
Amounts falling due within one year	13	6,746	5,416
Cash at bank and in hand		1,955	2,423
		9,119	8,569
Creditors: Amounts falling due within one year	14	(11,061)	(5,348)
Net current (liabilities)/assets		(1,942)	3,221
Total assets less current liabilities		8,719	10,140
Creditors: Amounts falling due after more than one year (including 1995 convertible loan stock)	15	(9,813)	(9,813)
Provision for liabilities and charges	16	(282)	(293)
Net (liabilities)/assets		(1,376)	34
Capital and reserves			
Called up share capital	17	247	247
Share premium account		2,210	2,210
Profit and loss account	18	(3,833)	(2,423)
Shareholders' funds	19	(1,376)	34

Approved on behalf of the board on 15/9/05 and signed on its behalf by

.... Director

The accompanying notes are an integral part of these accounts.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005

1. ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.
The company is itself a subsidiary company and is exempt from the requirement to produce group accounts by virtue of Section 228 of the Companies Act 1985. These financial statements therefore present financial information about the company as an individual undertaking and not about the group.
The company meets its day to day working capital requirements from finance provided by its parent company Wilmington Group plc. The directors of Wilmington Group plc have confirmed that they will continue to provide this finance for the foreseeable future. On that basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The accounts do not include any adjustments that would result if this financial support was withdrawn.

b) Turnover

Turnover represents the invoiced value of goods sold and services provided during the period, stated net of Value Added Tax. Subscription revenue is allocated to the relevant accounting periods covered by the subscription. Event revenue is recognised in the month that the event takes place. Subscriptions and fees in advance are carried forward in creditors: Amounts falling due within one year.

c) Deferred taxation

As required by FRS 19 "Deferred Tax", full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation, except for those timing differences in respect of which the standard specifies that deferred tax should not be recognised. The deferred tax liability is discounted using an appropriate rate.

d) Foreign currencies

Trading activities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the end of the financial period. Any resultant gain or loss on exchange is shown as part of the company's profit or loss from ordinary activities.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

e) Investments

Investments are stated at cost less any impairment in value.

f) Intangible assets

Purchased intangible assets are capitalised and amortised through the profit and loss account over their estimated useful lives not exceeding 20 years. Additional provision is made where there is an indication of an impairment to the carrying value.

g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is not provided on freehold land. On other assets it is provided at the following rates in order to write off the cost of each asset, on a straight-line basis, over its estimated useful life as follows:-

Freehold buildings	2% per annum
Short leasehold properties	Over the unexpired periods of the leases
Plant and equipment	20% - 33% per annum
Motor vehicles	25% per annum
Computer equipment	25% - 33% per annum
Furniture and fittings	10% - 20% per annum

h) Operating leases

Rentals incurred in respect of operating leases are charged to the profit and loss account on a straight-line basis.

i) Stock and work in progress

Stock and work in progress are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all the further costs to completion and all relevant marketing, selling and distribution costs.

j) Cashflow statement

The company has taken advantage of the exemption permitted by Financial Reporting Standard No.1, whereby a cashflow statement need not be prepared by a wholly owned subsidiary undertaking of a parent which publishes consolidated financial statements including a cashflow statement.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

k) **Related party transactions**

The company has taken advantage of the exemption permitted by Financial Reporting Standard No. 8 whereby a 90% or more owned subsidiary within a group is not required to disclose related party transactions with other similarly owned subsidiaries.

l) **Pension scheme**

The company operates a defined benefit pension scheme, for a limited number of employees, which requires contributions to be made to a separately administered fund. Contributions to this fund are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the company. The regular cost is attributed to individual years using the projected unit method. Variations in pension cost, which are identified as a result of actuarial valuations, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs. Differences between the amounts paid and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet. The fund is actuarially valued every three years.

The company also contributes to a defined contribution pension scheme, the assets of which are held in a separately administered fund. Contributions to this scheme are charged to the profit and loss account in the period in which they are paid.

2. TURNOVER

The turnover and profit before taxation are attributable to the main activity of the company. The geographical analysis of turnover is as follows:-

	2005	2004
	£'000	£'000
United Kingdom	7,025	7,916
Overseas	4,206	6,220
	11,231	14,136

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

3. OPERATING EXPENSES

		2005			2004	
	Continuing	Discont - inued	Total	Continuing	Discont - inued	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost of sales	2,010	863	2,873	2,140	1,732	3,872
Amortisation of intangible fixed assets	1,409	74	1,483	212	74	286
Selling and distribution	3,996	2,147	6,143	4,444	3,927	8,371
Administration	1,963	225	2,188	1,698	557	2,255
Waiving of debt	447	-	447	-	-	-
Restructuring costs	520	-	520	-	-	-
	6,926	2,372	9,298	6,182	4,444	10,626
Total administration costs	2,483	225	2,708	1,698	557	2,255

4. OPERATING LOSS AND EXCEPTIONAL ITEMS

The operating loss is stated after charging/(crediting):-

	2005	2004
	£'000	£'000
Depreciation of owned fixed assets	271	362
Rentals under operating leases:		
Other operating leases	40	66
Loss/(Profit) on disposal of tangible fixed assets excluding land and buildings	20	(13)
Auditors' remuneration:		
Audit fees	40	33

Exceptional items:

The exceptional items of £520,000 and £447,000 relate to restructuring costs incurred in the year and the waiving of intercompany debt. The credit of £577,000 in 2004 related to the sale of the Industrial group of magazines.

5. EMPLOYEE INFORMATION

	2005 Number	2004 Number
The average number of employees for the year was:		
Production	66	87
Sales and distribution	54	97
Administration	34	38
	154	222

	2005 £'000	2004 £'000
Employee costs (including directors)		
Wages and salaries	4,780	6,014
Social security	480	618
Employers' pension contributions	47	54
	5,307	6,686

6. DIRECTORS' EMOLUMENTS

	2005 £'000	2004 £'000
Aggregate emoluments	261	316

The highest paid director received emoluments and benefits as follows:

	2004 £'000	2005 £'000
Emoluments and benefits	194	196
Contributions to pension schemes	-	-

A total of £100,000 has been charged in respect of amounts received or receivable by directors or former directors as compensation for loss of office. This amount is not included in the directors' emoluments figure above.

R.B. Brookes and N.J. Miller (up until the date of his resignation) were directors of the Company's ultimate parent undertaking and their remuneration is disclosed in the financial statements of that company.

The remaining two directors in the year ended 30 June 2005 were remunerated by the company's ultimate parent undertaking and their costs were recharged back to this company via a management charge. The company was charged £440,000 in respect of management fees in that year.

	2005	2004
Total number of directors accruing benefits under the defined contribution pension scheme	1	1

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £'000	2004 £'000
Group loan interest payable	145	213

8. TAXATION

	2005 £'000	2004 £'000
The taxation credit for the year comprises:-		
UK Corporation tax on the results of the period at 30% (2004– 30%)	(212)	(280)
(Over)/under provision in previous years	(41)	3
Current tax credit	(253)	(277)
Deferred tax (credit)/charge as a result of the origination and reversal of timing differences	(55)	12
Tax on loss on ordinary activities	(308)	(265)

The tax credit in the accounts differs from the standard rate of corporation tax in the UK (30%). The differences are analysed below.

	2005 £'000	2004 £'000
Reconciliation of tax charge:		
Loss on ordinary activities before tax	(1,718)	(184)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the period of 30% (2004: 30%)	(515)	(55)
Effect of:		
Goodwill amortisation not deductible for tax purposes	347	5
Non taxable dividend receipt	(255)	(30)
Expenditure not deductible for tax	11	20
Waiver of intercompany debt	134	-
Difference between tax and accounting profit on sale of intangible assets	-	(254)
Capital allowances for the period in excess of depreciation	59	(6)
Capital gain on sale of intangible asset	7	40
Adjustment to tax charge in respect of previous periods	(41)	3
Current tax credit for the period as above	(253)	(277)

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

9. INTANGIBLE ASSETS

	Goodwill £'000	Intellectual Property Rights £'000	Total £'000
Cost			
At 1 July 2004	-	6,605	6,605
Reclassification (note 11)	1,647	-	1,647
Group transfers	-	6,833	6,833
At 30 June 2005	1,647	13,438	15,085
Amortisation			
At 1 July 2004	-	3,160	3,160
Charge for the year – amortisation	-	350	350
- impairment	-	1,133	1,133
Group transfers	-	3,104	3,104
At 30 June 2005	-	7,747	7,747
Net Book Value			
At 30 June 2005	1,647	5,691	7,338
At 30 June 2004	-	3,446	3,446

An annual impairment test has been carried out using discounted cash flows using a weighted average cost of capital of 10%.

10. TANGIBLE ASSETS

	Freehold Land and Buildings £'000	Short Leasehold Properties £'000	Fixtures and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 July 2004	2,288	105	695	556	330	3,974
Additions	-	-	60	41	66	167
Group transfers	-	-	124	377	98	599
Disposals	-	(105)	-	(189)	(163)	(457)
At 30 June 2005	2,288	-	879	785	331	4,283
Depreciation						
At 1 July 2004	117	58	298	422	190	1,085
Charge for the year	34	12	73	92	60	271
Group transfers	-	-	80	266	39	385
Disposals	-	(70)	-	(189)	(143)	(402)
At 30 June 2005	151	-	451	591	146	1,339
Net Book Value:						
At 30 June 2005	2,137	-	428	194	185	2,944
At 30 June 2004	2,171	47	397	134	140	2,889

Included in freehold land and buildings is an amount of £570,000 (2004 : £570,000) of non depreciated land.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

11. INVESTMENTS

	Shares in subsidiary undertakings £'000
Cost	
At 1 July 2004	584
Additions	1,442
Reclassification	(1,647)
At 30 June 2005	379

During the year the company acquired the remaining 25% of Polygon Media Limited.

At 30 June 2005 the company has the following subsidiary undertakings, all of which only have ordinary share capital, and are incorporated in England and Wales:-

	% owned
Adline Publishing Limited (Holding Company)	100%
ETP Limited (Dormant from 1 July 2005)	76.25%
W.D.I.S. Limited (Circulation Bureau Services)	100%
Waterlow Information Services Limited (Dormant)	100%
Limerent Limited (Dormant)	100%
Decision Publishing Limited (Dormant)	100%
Polygon Media Limited (Dormant from 1 July 2005)	100%
Office Solutions Media Limited (Publishing)	75%

On 30 June 2005 the trades of ETP and Polygon Media were transferred to Wilmington Media Limited. As a result the excess of the investment over the net assets at that date has been reclassified as goodwill and will be amortised from 1 July 2005.

12. STOCK AND WORK IN PROGRESS

	2005 £'000	2004 £'000
Raw materials	91	62
Work in progress	327	161
	418	223

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005
(CONTINUED)

13. DEBTORS

Amounts falling due within one year:

	2005	2004
	£'000	£'000
Trade debtors	3,593	1,687
Amounts owed by group undertakings	1,961	2,492
Dividends due from group undertakings	175	100
Corporation tax	212	280
Other debtors	533	585
Prepayments and accrued income	272	272
	6,746	5,416
Amounts falling due after one year:		
Other debtors	-	507
	6,746	5,923

14. CREDITORS : Amounts falling due within one year

	2005	2004
	£'000	£'000
Bank overdraft	-	1,178
Trade creditors	1,598	820
Amounts owed to group undertakings	5,823	901
Other taxation and social security	537	295
Other creditors	113	229
Subscriptions and fees in advance	1,769	1,118
Accruals	1,221	807
	11,061	5,348

The bank overdraft, which is the subject of a Group set off arrangement, is secured by a fixed and floating charge over certain of the Wilmington Group's assets. Interest is charged on the overdraft at 1% per annum above Barclays Bank Base Rate.

15. CREDITORS : Amounts falling due after one year

	2005	2004
	£'000	£'000
Interest free group loan	7,480	7,480
Amounts owed to group undertakings- (1995 Convertible loan stock)	2,333	2,333
	9,813	9,813

The convertible loan stock is repayable on one year and one day's notice from the company's ultimate parent undertaking. Interest is payable at 1.5% per annum above Barclays Bank Base rate.

16. PROVISION FOR LIABILITIES AND CHARGES

The liability for deferred taxation is as follows:-

	2005 £'000	2004 £'000
Accelerated capital allowances	352	381
Undiscounted liability carried forward	352	381
Discount	(70)	(88)
Discounted provision for deferred tax	282	293
Provision at 1 July 2004	293	281
Deferred tax (credit)/charge in the profit and loss account for the period	(55)	12
Group transfer	44	-
Provision at 30 June 2005	282	293

17. CALLED UP SHARE CAPITAL

	Number	Authorised £'000	Allotted, Issued and fully paid £'000
At 30 June 2005 and 30 June 2004			
Ordinary shares of £0.10 each	40,000,000	4,000	247

18. PROFIT AND LOSS ACCOUNT

	2005 £'000	2004 £'000
Opening balance	(2,423)	(2,504)
(Loss)/profit for the financial period	(1,410)	81
Closing balance	(3,833)	(2,423)

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004
	£'000	£'000
Opening shareholders' funds	34	(47)
(Loss)/profit for the financial period	(1,410)	81
Closing shareholders' funds	(1,376)	34

20. PENSION AND SIMILAR ARRANGEMENTS

Defined Benefit Scheme

SSAP 24 Disclosures

The company operates a defined benefit pension scheme (the Wilmington Media Limited Pension Scheme) for a limited number of employees. Total membership of the Scheme at 30 June 2005 was 6. The benefits under the Scheme accrue from 6 March 1992 and are based on final salary. The Scheme is funded by payment of contributions to a separately administered trust fund.

The pension costs are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method. The results of the most recent valuations, which were conducted as at 31 March 2004, are as follows:

Main assumptions:

	Percent per annum
Rate of return on investments	7.5
Rate of increase in salaries	4.5
Rate of increase in pensions in payment	3.0

	£'000
Market value of Scheme's assets	1,658

Level of funding being the actuarial value of assets expressed as percentage of the benefits accrued to members, after allowing for future salary increases	115 per cent.

20. PENSION AND SIMILAR ARRANGEMENTS (continued)

The actuary confirmed that the contribution rate of 18.6% (2004 : 13.3%) currently being paid by the company was sufficient to meet the cost of the benefits expected to arise in respect of future service.

There were no variations from the regular cost to be allocated over the average remaining working lives of the current employees.

FRS 17 Disclosures

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation at 31 March 2004 and updated by the same qualified independent actuaries to take account of the requirements of FRS 17 in order to assess the liabilities of the Scheme at 30 June 2005. Scheme assets are stated at their market value at 30 June 2005.

Main assumptions:

	30 June 2005	30 June 2004	30 June 2003
	% per annum	% per annum	%per annum
Rate of increase in salaries	3.8	4.2	3.9
Rate of increase to pensions in payment	2.6	3.0	2.5
Discount rate	5.2	5.7	5.4
Inflation assumption	2.6	3.0	2.5

The assets and liabilities of the Scheme and the expected rates of return were:

	2005		2004		2003	
	Long term rate of return expected	Value	Long term rate of return expected	Value	Long term rate of return expected	Value
	%	£'000	%	£'000	%	£'000
Equities	7.5	1,762	7.5	1,459	7.5	1,202
Bonds	5.0	118	5.3	120	5.9	179
Cash and other assets	4.5	153	4.0	94	4.0	40
Total market value of assets		2,033		1,673		1,421
Present value of Scheme liabilities		(2,411)		(2,151)		(2,194)
Pension liability before deferred tax		(378)		(478)		(773)
Related deferred tax asset		113		143		232
Net pension liability		(265)		(335)		(541)

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

20. PENSION AND SIMILAR ARRANGEMENTS (continued)

Reconciliation of net liabilities and reserves under FRS 17

Net assets/(liabilities)

	2005 £'000	2004 £'000
Net (liabilities)/assets as stated in balance sheet	(1,376)	34
SSAP 24 balance	-	-
Net (liabilities)/assets excluding defined benefit liabilities	(1,376)	34
FRS 17 pension liability	(265)	(335)
Net liabilities including defined benefit liabilities	(1,641)	(301)

Reserves

	2005 £'000	2004 £'000
Profit and loss reserve as stated in balance sheet	(3,833)	(2,423)
SSAP 24 balance	-	-
Profit and loss reserve excluding defined benefit liabilities	(3,833)	(2,423)
FRS 17 pension liability	(265)	(335)
Profit and loss reserve including defined benefit liabilities	(4,098)	(2,758)

Had FRS 17 been fully implemented, an adjustment of £98,000 (2004: £89,000) would have been shown as a charge against the profit and loss account for current service cost and £4,000 (2004: £16,000) would have been shown as a charge in the profit and loss account as other finance costs, being the net of £120,000 (2004: £105,000) expected return on assets less £124,000 (2004: £121,000) interest on liabilities.

Analysis of Statement of total recognised gains and losses (STRGL)

	Year ended 30 June 2005 £'000	Year ended 30 June 2004 £'000
Actual return less expected return on assets	166	62
Experience gains and losses arising on liabilities	-	402
Changes in assumptions	(46)	(153)
Actuarial gain/(loss) recognised in STRGL	120	311

20. PENSION AND SIMILAR ARRANGEMENTS (continued)

Movement in deficit during the year

The movement in the deficit during the year to 30 June 2005 would have been as follows:

	2005 £'000	2004 £'000
Deficit at 1 July 2004	(478)	(773)
Current service cost	(98)	(89)
Employer contributions	82	89
Other finance income	(4)	(16)
Actuarial loss recognised in statement of total recognised gains and losses	120	311
Deficit at 30 June 2005	(378)	(478)

History of experience gains and losses

	2005	2004	2003
Difference between the expected and actual return on Scheme assets			
Amount (£'000)	166	62	(181)
Per cent. of Scheme assets	8.2%	3.7%	(12.7%)
Experience losses on Scheme liabilities			
Amount (£'000)	0	402	125
Per cent. of the present value of Scheme liabilities	0.0%	18.7%	5.7%
Total amount recognised in statement of total recognised gains and losses			
Amount (£'000)	120	311	(322)
Per cent. of the present value of Scheme liabilities	5.0%	14.5%	(14.7%)

At the year end contributions outstanding of £nil (2004: £3,000) were included in other creditors in respect of this scheme.

Defined contribution scheme

The company contributes to a defined contribution pension scheme. Total contributions to the scheme during the year were £5,000 (2004: £12,000).
At the year end contributions outstanding of £nil (2004: £4,000) were included in other creditors in respect of this scheme.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

21. LEASING COMMITMENTS

	2005 Land and buildings £'000	2004 Land and buildings £'000
Annual commitments payable under non cancellable operating leases expiring:		
Within one year	-	67
Between one and five years	143	81
After more than five years	-	-
	143	148

22. CAPITAL COMMITMENTS

At the year end the company had no capital expenditure commitments.

23. CONTINGENT LIABILITIES

The company has entered into an unlimited cross – guarantee with the Group's bankers in respect of the net £10 million overdraft facilities extended to certain of the company's subsidiaries and parent company. At 30 June 2005, the company's gross contingent liability in respect of this facility was £7,414,936 (2004: £6,229,000), although the net liability was £nil (2004: £nil).

The company has also entered into a cross guarantee in respect of a committed bank facility of £25,000,000 expiring in September 2008. At the year end, the company had a contingent liability of £10,000,000 in respect of a draw down of this facility.

24. POST BALANCE SHEET EVENT

On 13th September 2005 the Company completed the disposal of a portfolio of assets in the drinks market. The results of the business disposal have been shown as discontinued.

WILMINGTON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS – 30 JUNE 2005 (CONTINUED)

25. RELATED PARTY TRANSACTIONS

The company is a wholly–owned subsidiary of Wilmington Group plc which together with other wholly–owned subsidiaries offer certain group–wide purchasing facilities to the company's fellow group undertakings whereby the actual costs are recharged. However, the following other services were provided by fellow group undertakings during the year for which appropriate charges, as set out below, were made:

	2005 £'000	2004 £'000
Provision of finance at commercial rates of interest by Polygon Media Limited	-	46
Provision of internet services by Abacus Solutions Limited	-	166

At the balance sheet date amounts owing (to)/from group companies (which were not eligible for the exemption included in FRS 8 for 90per cent. or more owned subsidiaries) are as follows:

	2005 £'000	2004 £'000
Polygon Media Limited	-	874
Abacus Media Limited	-	(28)
Redpoint Marketing Limited	-	3
Hollis Publishing Limited	18	5
Office Solutions Media Limited	20	113
Beechwood House Publishing Limited	10	-

26. ULTIMATE PARENT UNDERTAKING

The directors regard Wilmington Group plc, a company registered in England and Wales, as the company's ultimate parent undertaking. Copies of the accounts of Wilmington Group plc, the smallest and largest group for which accounts are prepared, may be obtained from the registered office at Paulton House, 8 Shepherdess Walk, London N1 7LB.