

Horse Exchange Limited

Accounts for the year ended 2 April 2000
together with the director's and auditors' reports

Registered number: 2714508

Director's report

For the year ended 2 April 2000

The director presents his annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 2 April 2000.

Principal activities and business review

The company has not traded during the year ended 2 April 2000, hence no profit and loss account is presented.

Proposed dividend and transfer to reserves

The director can not recommend the payment of a dividend (1999: £Nil).

Director and his interests

The director who served during the year is shown below:

S Hodgson

The director held no interest in the shares of the company required to be disclosed under Schedule 7 of the Companies Act 1985.

The interests of the director in the shares of the parent company and of the ultimate parent company are shown in the directors' reports of those companies.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Arthur Andersen as auditors of the company is to be proposed at the forthcoming annual general meeting.

Director's report (continued)

For the year ended 2 April 2000

Directors' responsibilities

Company law requires the director to prepare accounts 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 accounts, the director is 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the board,

Unit 6
Thatcham Business Village
Colthrop Lane
Thatcham
Berkshire
RG19 4LW



S Hodgson
Director

29 September 2000

To the Shareholders of Horse Exchange Limited:

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of the director and auditors

As described on page 2 the company's director is responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 2 April 2000 and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

Abbots House
Abbey Street
Reading
Berkshire
RG1 3BD

29 September 2000

Balance sheet

2 April 2000

	Note	2000 £	1999 £
Creditors: Amounts falling due within one year	3	<u>(77,208)</u>	<u>(77,208)</u>
Net current liabilities		<u>(77,208)</u>	<u>(77,208)</u>
Total assets less current liabilities		<u>(77,208)</u>	<u>(77,208)</u>
Creditors: Amounts falling due after more than one year	4	<u>(35,000)</u>	<u>(35,000)</u>
Net liabilities		<u>(112,208)</u>	<u>(112,208)</u>
Capital and reserves			
Called-up share capital	5	100	100
Profit and loss account		<u>(112,308)</u>	<u>(112,308)</u>
Equity shareholders' deficit	6	<u>(112,208)</u>	<u>(112,208)</u>

Signed on behalf of the Board on 29 September 2000



S Hodgson

Director

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

Statement of accounting policies

2 April 2000

A summary of the principal accounting policies, all of which have been consistently applied throughout the year and the preceding year, is set out below.

Basis of accounting

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

At 2 April 2000 the company had net liabilities of £112,208 (1999: £112,208). The director is of the opinion that the going concern basis continues to be the appropriate basis for the preparation of the accounts as a fellow group undertaking has confirmed its intention and ability to provide such financial support as may be necessary to enable the company to continue to operate as a going concern and to meet all of its obligations in full for the next twelve months. The company's ultimate parent company has also confirmed that the company will not be required to pay amounts due to other group undertakings unless the company has sufficient funds to pay other creditors in full.

Notes to accounts

2 April 2000

1 Turnover

There has been no turnover derived from trading activities during either year.

2 Director's remuneration

The director's remuneration in the year was £nil (1999: £Nil).

3 Creditors: Amounts falling due within one year

	2000 £	1999 £
Amounts owed to group undertakings	76,958	76,958
Accruals and deferred income	250	250
	<u>77,208</u>	<u>77,208</u>

	2000 £	1999 £
Amounts owed to group undertakings is comprised of:		
Parent company	24,300	24,300
Other group undertakings	52,658	52,658
	<u>76,958</u>	<u>76,958</u>

4 Creditors: Amounts falling due after more than one year

	2000 £	1999 £
Amounts owed to parent company	<u>35,000</u>	<u>35,000</u>

5 Called-up share capital

	2000 £	1999 £
<i>Authorised</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called-up and fully paid</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

Notes to accounts (continued)

6 Ultimate parent company

The company's immediate parent company is Link Magazines Limited which is 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 Media Holdings Limited. The largest group in which the results of the company are consolidated is that headed by the ultimate parent company. The consolidated accounts of this group are available to the public and will be filed at the registrar of companies.

Under the provisions of Financial Reporting Standard 8, the company is exempt from the requirement to disclose details of related party transactions as it is a wholly owned subsidiary of Trader Media Group Limited whose consolidated accounts are publicly available.