

# **Auto Trader Holland Limited**

## **Annual report for the year ended 29 March 1998**

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## **Directors and advisers**

### **Directors**

**J R Harris**  
(Chairman)

**T Maycock**

### **Registered Auditors**

**Coopers & Lybrand**  
Abacus Court  
6 Minshull Street  
Manchester  
M1 3ED

### **Secretary and registered office**

**T Maycock**  
St James Court  
Wilderspool Causeway  
Warrington  
WA4 6PS

### **Solicitors**

**Garrett & Co**  
Bank House  
9 Charlotte Street  
Manchester  
M1 4EH

## **Directors' report for the year ended 29 March 1998**

The directors present their report and the audited financial statements for the year ended 29 March 1998.

### **Principal activities**

The company is concerned with the management and development of motoring magazines in Europe. The company has a 100% equity share capital holding in the ordinary share capital of Auto Trader Holland BV, which itself has a 90% equity share capital holding in the trading company, European Auto Trader BV, both companies are registered in The Netherlands. The company also holds less than 1% equity share capital holding of the trading company, Auto Trader Belgium Bvba, a Belgian registered company. Both trading companies publish motoring magazines.

The company has reviewed a number of further acquisitions in Europe in the year.

### **Review of business and future developments**

As a holding company, the company anticipates no trading profits or losses other than those relating to the costs of audit and taxation, the costs of holding investments and additional costs in respect of prospective acquisitions.

### **Dividends**

The directors did not declare any dividends in respect of the period ended 29 March 1998.

### **Directors**

The directors of the company during the year ended 29 March 1998, both of whom have been directors for the whole of the year ended on that date, are listed on page 1.

### **Directors' interests in shares of the company**

None of the directors at 29 March 1998 had any interest in the shares of the company nor any beneficial interest in shares of any other group company.

## Directors' responsibility

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 29 March 1998. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Creditor payment policy

The group has implemented systems to ensure the prompt recognition of all identifiable liabilities to creditors and payments are made to these creditors in line with the CBI's Prompt Payment Code.

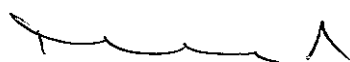
## Year 2000 and EMU

The company's approach to these issues is being co-ordinated by the parent company. Full details are noted in the financial statements of the parent company, Guardian Media Group plc.

## Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

**By order of the board**



**T Maycock**  
**Company secretary**

24 June 1998

## **Report of the auditors to the members of Auto Trader Holland Limited**

We have audited the financial statements on pages 5 to 10.

### **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.

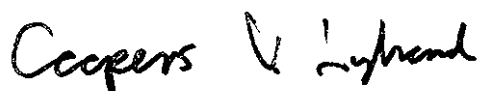
### **Basis of opinion**

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 state affairs of the company at 29 March 1998 and of its loss for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



**Coopers & Lybrand**

Chartered Accountants and Registered Auditors  
Manchester

25 June 1998

## Profit and loss account for the year ended 29 March 1998

	Notes	1998 £	1997 £
<b>All continuing operations</b>			
Turnover		-	-
Operating expenses		(101,915)	(11,748)
Operating loss		(101,915)	(11,748)
Interest received		14,053	-
Loss on ordinary activities before taxation	4	(87,862)	(11,748)
Taxation	5	845	183
Loss for the financial period	11	(87,017)	(11,565)

## Statement of retained losses

	1998 £	1997 £
At 31 March 1997	(12,365)	(800)
Retained loss for the year	(87,017)	(11,565)
Retained loss at 29 March 1998	(99,382)	(12,365)

The company has no recognised gains and losses other than those included in the losses above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial period stated above, and their historical cost equivalents.

# Balance sheet at 29 March 1998

	Notes	1998 £	1997
<b>Fixed assets</b>			
Investments	6	<u>1,000,022</u>	<u>1,000,022</u>
<b>Current assets</b>			
Debtors	7	297,928	45,888
Creditors: amounts falling due within one year	8	<u>(49,598)</u>	<u>(800)</u>
<b>Net current assets</b>		<u>248,330</u>	<u>45,088</u>
<b>Total assets less current liabilities</b>		<u>1,248,352</u>	<u>1,045,110</u>
Creditors: amounts falling due after more than one year	9	<u>(347,734)</u>	<u>(57,475)</u>
<b>Net assets</b>		<u><u>900,618</u></u>	<u><u>987,635</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	1,000,000	1,000,000
Profit and loss account		<u>(99,382)</u>	<u>(12,365)</u>
<b>Equity shareholders' funds</b>	11	<u><u>900,618</u></u>	<u><u>987,635</u></u>

The financial statements on pages 5 to 10 were approved by the board of directors on 24 June 1998 and were signed on its behalf by:



**J R Harris**  
Director

## **Notes to the financial statements for the year ended 29 March 1998**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below.

#### **Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention.

The company is exempt from the requirement to produce consolidated financial statements on the basis that it is a wholly owned subsidiary of Guardian Media Group plc.

#### **Turnover**

There is no turnover at the present time.

#### **Deferred taxation**

Provision is made for deferred tax at the rate of corporation tax expected in the year in which the liability is likely to arise except in respect of any material timing differences which are unlikely to result in a tax liability in the foreseeable future.

#### **Foreign currencies**

Foreign exchange differences are taken to the profit and loss account in the period in which they arise.

#### **Cashflow statement**

The company is a wholly owned subsidiary of Guardian Media Group plc and the cashflows of the company are included in the consolidated group cashflow statement of Guardian Media Group plc. Consequently the company is exempt from publishing a cashflow statement under Financial Reporting Standard No. 1.

### **2 Directors' emoluments**

None of the directors received remuneration for their services as directors of the company. The directors received remuneration in respect of their services to Auto Trader Publications (GMG) Limited.



## 3 Employee information

The average number of persons (including executive directors) employed during the year is nil. As such, no staff costs arose during the year.

## 4 Loss on ordinary activities before taxation

	1998 £	1997 £
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration for:		
Audit	3,500	-
Other services	1,575	-
Foreign exchange losses on loans to subsidiary	52,990	11,748
	<u>56,065</u>	<u>11,748</u>

## 5 Taxation

	1998 £	1997 £
United Kingdom corporation tax at 31% (1997: 33%)		
Group relief receivable in respect of losses	845	183
	<u>845</u>	<u>183</u>

## 6 Fixed asset investments

	1998	1997 £
Cost		
At 29 March 1998 and 30 March 1997	1,000,022	1,000,022
	<u>1,000,022</u>	<u>1,000,022</u>
Net book value		
At 29 March 1998 and 30 March 1997	1,000,022	1,000,022
	<u>1,000,022</u>	<u>1,000,022</u>

The investments, listed below, are stated at cost, less any amounts written off to reflect a permanent diminution in value.

Name of undertaking	Country of incorporation	Description of shares held	Proportion of nominal value of issued shares
Auto Trader Holland BV	Netherlands	Ordinary 1NLG shares	100%
Auto Trader Belgium Bvba	Belgium	Ordinary 1BF shares	0.1%

Both the above companies operate principally in their country of incorporation.

## 7 Debtors

	1998	1997
	£	£
Amounts owed by parent company	901	183
Amounts owed by associate undertakings	-	45,705
Amount owed by subsidiary company	297,027	-
	<u>297,928</u>	<u>45,888</u>

All the above amounts are due within one year of the balance sheet date.

## 8 Creditors: amounts falling due within one year

	1998	1997
	£	£
Accruals and deferred income	-	800
Amounts due to fellow subsidiaries	49,598	-
	<u>49,598</u>	<u>800</u>

## 9 Creditors: amounts falling due after more than one year

	1998	1997
	£	£
Unsecured loan stock issued to ultimate parent company (Redeemable 31 March 2005)	347,734	57,475
	<u>347,734</u>	<u>57,475</u>

A further £290,259 of the unsecured loan stock was issued on 27 March 1998. All loan stock carries interest at a rate of 2% above National Westminster Bank base rate. Interest has been waived for the period.

## 10 Called up share capital

	1998	1997
	£	£
<b>Authorised</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<b>Allotted, called up and fully paid</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

**11 Reconciliation of movements in shareholders' funds**

	1998 £	1997 £
Opening shareholders' funds	987,635	999,200
Loss for the financial year	(87,017)	(11,565)
Closing shareholders' funds	<u>900,618</u>	<u>987,635</u>

**12 Ultimate holding company**

The company's ultimate holding company is Guardian Media Group plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the ultimate holding company's consolidated financial statements may be obtained from The Secretary, Guardian Media Group plc, 164 Deansgate, Manchester, M60 2RR. All the ordinary shares of Guardian Media Group plc are owned by the Scott Trust.