

Registered No: 3155680

Belgholding Limited
Annual report
for the year ended 30 March 2003



Belgholding Limited

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List of Directors and Advisers

Directors

IS Ashcroft
PE Boardman

Secretary and registered office

PE Boardman
164 Deansgate
Manchester
M3 3GG

Registered Auditors

PricewaterhouseCoopers LLP
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Directors' report for the year ended 30 March 2003

The directors present their report and financial statements for the year ended 30 March 2003.

Principal activities

The company owns 100% of the equity share capital of Inhoco 824 Limited.

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 holding the investment.

Dividends

The directors did not declare any dividends in respect of the year ended 30 March 2003.

Directors

The directors of the company at 30 March 2003, both of whom served throughout the year, are listed on page 1.

Directors' interests in shares of the company

None of the directors at 30 March 2003 had any interest in the shares of the company nor any beneficial interest in shares of any other group company.

Directors' responsibility

Company law requires the directors to prepare financial statements for each financial year that 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;
- 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 that 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.

Independent auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 25th February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the board

PE Boardman

Company secretary

20th June 2003



Independent auditors' report to the members of Belholding Limited

We have audited the financial statements which comprise the profit and loss account, balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and 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 issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit 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 of the company's affairs at 30th March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
20th June 2003

Profit and loss account for the year ended 30 March 2003

	Notes	2003 £	2002 £
All discontinued operations:			
Waiver of inter-company balance		1,850,000	-
Profit on ordinary activities before taxation	4	1,850,000	-
Tax charge on profit on ordinary activities	5	-	-
Profit for the financial year		1,850,000	-
Retained loss at 1 April 2002		(3,627,732)	(3,627,732)
Retained loss at 30 March 2003		(1,777,732)	(3,627,732)

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

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

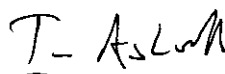
Balance sheet at 30 March 2003

	Notes	2003 £	2002 £
Fixed assets			
Investments	6	1,850,000	-
Current assets			
Debtors	7	125,414	125,414
Creditors: amounts falling due after more than one year	8	(1,753,146)	(1,753,146)
Net assets/(liabilities)		222,268	(1,627,732)
Capital and reserves			
Called up share capital	9	2,000,000	2,000,000
Profit and loss account		(1,777,732)	(3,627,732)
Equity shareholders' funds/(deficit)	10	222,268	(1,627,732)

The financial statements on pages 4 to 8 were approved by the board of directors on 20th June 2003 and were signed on its behalf by:



PE Boardman
Director



IS Ashcroft
Director

**Notes to the financial statements
for the year ended 30 March 2003****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 has received confirmation from Guardian Media Group plc that it will not seek repayment of the loans outstanding at the balance sheet date in the foreseeable future.

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.

Cashflow statement

The company is a wholly owned subsidiary of GMG Auto Trader Limited, itself 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.

Investments

The investment is stated at cost less any amounts written off for impairment.

2 Directors' emoluments

None of the directors received remuneration for their services as directors of the Company in either year.

3 Employee information

The average number of persons (including executive directors) employed during the year is nil (2002: nil). As such there are no associated staff costs.

4 Profit on ordinary activities before taxation

	2003 £	2002 £
Profit on ordinary activities before taxation is stated after crediting:		
Waiver of inter-company balances with Auto Trader Belgium Bvba	1,850,000	-
Auditors remuneration for audit and non audit services has been borne by the holding company.		

5 Taxation

	2003 £	2002 £
a) analysis of charge in period		
Current tax		
UK corporation tax charge on profits for the year	-	-
b) factors affecting tax charge		
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of CT of 30%	555,000	-
Effects of:		
Income not taxable for tax purposes	(555,000)	-
Current tax charge for year	-	-

6 Subsidiaries

	£
Cost	
At 1 April 2002	1,916,778
Addition	1,850,000
Disposal	(1,916,778)
At 30 March 2003	1,850,000
Amounts written off	
At 1 April 2002	1,916,778
Disposal	(1,916,778)
At 30 March 2003	-
Net book value at 30 March 2003	1,850,000
Net book value at 1 April 2002	-

During the year, the company acquired 100% of the £1 ordinary shares in Inhoco 824 Limited. Auto Trader Belgium Bvba, which was fully written off at 1 April 2002, has been liquidated during the year.

7 Debtors

	2003 £	2002 £
Amount owed by ultimate parent company	125,414	125,414
	125,414	125,414

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

8 Creditors: amounts falling due after more than one year

	2003 £	2002 £
Unsecured loan stock issued to ultimate parent (Redeemable 31 December 2005)	1,753,146	1,753,146

The loan stock is an amount payable to Guardian Media Group plc and carries interest at 2% above National Westminster Bank base rate. Interest has been waived for the period.

9 Called up share capital

	2002 £	2002 £
Authorised		
2,000,000 (2002: 2,000,000) ordinary shares of £1 each	2,000,000	2,000,000
Allotted, called up and fully paid		
2,000,000 (2002: 2,000,000) ordinary shares of £1 each	2,000,000	2,000,000

10 Reconciliation of movements in shareholders (deficit)/funds

	£
Opening shareholders deficit	(1,627,732)
Retained profit for the financial year	1,850,000
Closing shareholders funds	222,268

11 Capital Commitments

Contracts for capital expenditure amounted to £nil (2002 £nil).

12 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard No 8 not to disclose transactions and balances with related parties which would normally be excluded on consolidation.

13 Ultimate holding company

The company's immediate holding company is GMG Auto Trader Limited, a company wholly owned by the Guardian Media Group plc, which itself is 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, M3 3GG. All the ordinary shares of Guardian Media Group plc are owned by the Scott Trust.