

Directors

R A Conwell
N J Miller
R B Brookes
D Conlon
D Wright

Registered Auditor

PKF
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

Secretary and Registered Office

A Zahedieh
Paulton House
8 Shepherdess Walk
London
N1 7LB



POLYGON MEDIA LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2004

The directors have pleasure in presenting their report together with the audited financial statements for the year ended 30 June 2004.

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 company continued to perform satisfactorily during the year under review and the directors expect that the present level of activity will be sustained for the foreseeable future.

RESULTS AND DIVIDENDS

The profit on ordinary activities after interest and taxation amounted to £35,498 (2003 - £101,454) on sales of £5,052,751 (2003 - £5,122,026).

The directors do not recommend the payment of a final dividend. The retained profit for the year will be credited to reserves.

DIRECTORS AND DIRECTORS' INTERESTS

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

R A Conwell
N J Miller
R B Brookes
D Conlon
D Wright

The interests of the directors in the Company's shares at both the beginning and end of the year were as follows:

	At 30 June 2004	At 30 June 2003
B Ordinary shares of £1		
D Conlon	50,000	50,000

Polygon Media Limited is a subsidiary of Wilmington Group plc (the ultimate parent undertaking).

The interests of R A Conwell, N J Miller and R B Brookes in the shares of the company's ultimate parent undertaking are disclosed in the report on the directors' remuneration 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 2004	At 30 June 2003
Wilmington Group plc		
Ordinary shares of 5p		
Beneficial interests		
D Conlon	6,250	6,250
D Wright	32,650	32,650

POLYGON MEDIA LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2004
(CONTINUED)

Directors and directors' interests (continued)

	Exercise Price	Exercise Period	At 30 June 2004	At 30 June 2003
Options to subscribe for ordinary shares of 5p each of Wilmington Group plc				
Unapproved Scheme				
D Wright	181.5p	June 2001 - June 2005	55,000	55,000
D Wright	137.5p	Oct 2001 - Oct 2005	45,000	45,000
D Wright	217.5p	Jun 2004 - Jun 2008	26,210	26,210
D Wright	61.5p	March 2006 - March 2010	45,000	45,000
D Wright	118.5p	March 2007 - March 2011	30,000	-
Approved Scheme				
D Wright	217.5p	Jun 2004 - Jun 2008	13,790	13,790
Savings Related				
Share Option scheme				
D Wright	230.8p	Dec 2004-Jun 2005	2,924	2,924

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

**POLYGON MEDIA LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2004
(CONTINUED)**

CHARITABLE DONATIONS

During the year the company made £400 (2003 - £100) in charitable donations.

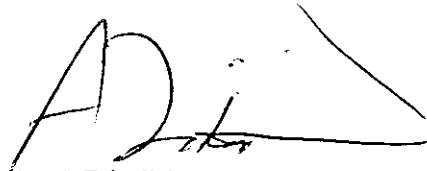
AUDITORS

The auditors, PKF, will be proposed for reappointment at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

Registered office

Paulton House
8 Shepherdess Walk
London N1 7 LB

By order of the board

A handwritten signature in black ink, appearing to read 'A Zahedieh', written over a horizontal line.

A Zahedieh
Secretary

10 September 2004

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF POLYGON MEDIA LIMITED

We have audited the financial statements of Polygon Media Limited for the year ended 30 June 2004 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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 the auditor's 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 the company's affairs as at 30 June 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PKF
Registered Auditors

London, UK

15 September 2004

POLYGON MEDIA LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2004

	<u>Notes</u>	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Turnover	2	5,052,751	5,122,026
Cost of sales		(1,036,741)	(1,111,876)
Gross profit		<hr/> 4,016,010	<hr/> 4,010,150
Operating expenses	3	(3,423,320)	(3,568,879)
Amortisation of intangible assets	10	(424,832)	(224,630)
Operating profit	4	<hr/> 167,858	<hr/> 216,641
Interest receivable and similar income	7	46,385	43,690
Profit on ordinary activities before taxation		<hr/> 214,243	<hr/> 260,331
Tax on profit on ordinary activities	8	(178,745)	(158,877)
Profit for the period		<hr/> 35,498	<hr/> 101,454
Dividends payable	9	-	-
Retained profit for the period	17/18	<hr/> <hr/> 35,498	<hr/> <hr/> 101,454

All amounts relate to continuing operations.

The company has no recognised gains or losses for the year other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

The accompanying notes are an integral part of these accounts.

POLYGON MEDIA LIMITED
BALANCE SHEET
AS AT 30 JUNE 2004

	<u>Notes</u>	30 June 2004	30 June 2003
		<u>£</u>	<u>£</u>
Fixed assets			
Intangible assets	10	3,455,366	3,880,198
Tangible assets	11	60,641	123,939
		<u>3,516,007</u>	<u>4,004,137</u>
Current assets			
Stocks	12	155,366	158,690
Debtors	13	954,389	909,866
Cash at bank and in hand		52,548	70,755
		<u>1,162,303</u>	<u>1,139,311</u>
Creditors:			
Amounts falling due within one year	14	<u>(4,212,540)</u>	<u>(4,714,455)</u>
Net current liabilities		<u>(3,050,237)</u>	<u>(3,575,144)</u>
Total assets less current liabilities		465,770	428,993
Provision for liabilities and charges	15	<u>(40,135)</u>	<u>(38,856)</u>
Net Assets		<u><u>425,635</u></u>	<u><u>390,137</u></u>
Capital and reserves			
Called up share capital	16	200,000	200,000
Profit and loss account	17	225,635	190,137
Shareholders' funds	18	<u><u>425,635</u></u>	<u><u>390,137</u></u>

Approved on behalf of the board on 10 September 2004



Director

The accompanying notes are an integral part of these accounts.

POLYGON MEDIA LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Operating profit	167,858	216,641
Depreciation of tangible fixed assets	66,738	77,620
(Profit) on disposal of fixed assets	-	(11,598)
Amortisation of intangible assets	424,832	224,630
Decrease/(Increase) in stocks and work in progress	3,324	(8,703)
(Increase)/decrease in debtors	(44,523)	821,775
Decrease in creditors	(475,145)	(1,132,229)
Net cash inflow from operating activities	143,084	188,136
Returns on investments and servicing of finance		
Interest paid	-	-
Interest received	46,385	43,690
Net cash inflow	46,385	43,690
Taxation		
Tax paid	(133,226)	(162,579)
Capital expenditure and financial investment		
Purchase of intangible assets	(103,000)	-
Sale of tangible fixed assets	-	28,411
Purchase of tangible fixed assets	(3,440)	(31,172)
Net cash outflow	(106,440)	(2,761)
Equity dividend paid	-	-
(Decrease)/increase in cash in the period	(50,197)	66,486
Reconciliation of net cash flow movement to movement in net debt (note 19)		
	£	£
Net funds/(debt) at 1 July 2003	16,082	(50,404)
Net funds (outflow)/ inflow	(50,197)	66,486
Net (debt)/funds at 30 June 2004	(34,115)	16,082

The accompanying notes are an integral part of these accounts.

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004

1. ACCOUNTING POLICIES

(a) Basis of accounting

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

The company meets its day to day working capital requirements from finance provided by its parent company Wilmington Media Limited. The directors of Wilmington Media Limited have confirmed that they will continue to provide 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 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. Subscriptions and fees in advance are carried forward in creditors : amounts falling due within one year.

(c) Taxation

Corporation tax has been provided on profit for the period at appropriate rates.

(d) Deferred taxation

Deferred taxation is provided on material timing differences between the incidence of income and expenditure for taxation and accounts purposes using a full provision basis in accordance with the provisions set out in Financial Reporting Standard 19 "Deferred Tax". Deferred tax is measured on a discounted basis, using an appropriate discount rate, at tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates or laws enacted or substantially enacted at the balance sheet date.

Deferred tax assets are only recognised when they arise from timing differences where their recoverability in the short term is regarded as more likely than not.

(e) 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.

(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.

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

(g) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation 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:

Short leasehold property	Over the period of the lease
Motor vehicles	25% per annum
Computer equipment	25% - 33% per annum
Fixtures and fittings	10% - 33% 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) Pension scheme arrangements

The company is a member of the Wilmington Media Limited Pension Scheme, a defined benefit group pension scheme, 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. 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 defined contribution pension arrangements for a limited number of other employees, the assets of which are held in a separately administered fund. Contributions to these arrangements 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:

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
United Kingdom	2,740,495	2,906,092
Overseas	2,312,256	2,215,934
	<u>5,052,751</u>	<u>5,122,026</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004

(CONTINUED)

3. OPERATING EXPENSES

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Selling and distribution	2,907,147	2,969,195
Administration	516,173	599,684
	<u>3,423,320</u>	<u>3,568,879</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Amortisation of intangible fixed assets	424,832	224,630
Depreciation of owned fixed assets	66,738	77,620
Rentals under operating leases:		
Other operating leases	66,612	66,612
Profit on disposal of fixed assets	-	(11,598)
Auditors' remuneration - Audit fees	<u>3,967</u>	<u>2,947</u>

5. EMPLOYEE INFORMATION

The average number of employees for the period was:

	Twelve month period to 30 June 2004 <u>Number</u>	Twelve month period to 30 June 2003 <u>Number</u>
Production	28	28
Sales and distribution	22	23
Administration	5	5
	<u>55</u>	<u>56</u>

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Employee costs (including directors)		
Wages and salaries	1,652,045	1,666,605
Social security	170,116	158,300
Employer's pension contributions	44,761	46,391
	<u>1,866,922</u>	<u>1,871,296</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

6. DIRECTORS' EMOLUMENTS

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Aggregate emoluments	<u>104,013</u>	<u>104,969</u>

Three (2003 - three) of the Company's directors are directors of the Company's ultimate parent undertaking and are remunerated by that company. Their emoluments are disclosed in the accounts of that company, and they are not included in the staff numbers in Note 5. Another of the Company's directors is a director of a fellow subsidiary and is remunerated by that company and his emoluments are disclosed in the financial statements of that company and is not included in the staff numbers in Note 5. None of the Company's directors are members of the Company's pension scheme (2003 - None).

7. INTEREST RECEIVABLE

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Group loan interest receivable	<u>46,385</u>	<u>43,690</u>
	<u>46,385</u>	<u>43,690</u>

8. TAXATION

The taxation charge for the period comprises:

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
UK Corporation tax on result for the period	190,291	146,051
(Over)/under provision in previous years	<u>(12,825)</u>	<u>162,576</u>
Total current tax	177,466	308,627
Deferred taxation charge/(credit) as a result of the origination and reversal of timing differences	<u>1,279</u>	<u>(149,750)</u>
	<u>178,745</u>	<u>158,877</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

8. TAXATION (CONTINUED)

The tax charge for the period is greater than the standard rate of Corporation tax in the United Kingdom (30%). The differences are explained below.

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Profit on ordinary activities before tax	214,243	260,331
Profit on ordinary activities multiplied by standard rate of corporation tax in United Kingdom of 30% (2003-30%)	64,273	78,099
Effects of :		
Goodwill amortisation not deductible for tax purposes	119,230	59,169
Capital allowances for period in excess of depreciation and amortisation	2,192	(5,106)
Other expenses not deductible for tax purposes	4,596	13,889
Adjustment in respect of prior years	(12,825)	162,576
Utilisation of taxable losses under group relief provisions	-	-
Current tax charge for period as above	<u>177,466</u>	<u>308,627</u>

9. DIVIDENDS PAYABLE

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Interim dividend of nil (2003 - nil) per ordinary share	-	-
	<u>-</u>	<u>-</u>

10. INTANGIBLE ASSETS

Cost

	£
At 1 July 2003	4,595,601
Additions	-
At 30 June 2004	<u>4,595,601</u>

Amortisation

At 1 July 2003	715,403
Charge for the year	424,832
At 30 June 2004	<u>1,140,235</u>

Net Book Value

At 30 June 2004	<u>3,455,366</u>
At 30 June 2003	<u>3,880,198</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

11. TANGIBLE ASSETS

	Short leasehold Property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2003	35,788	48,719	128,008	57,494	270,009
Additions	-	-	3,440	-	3,440
Disposals	-	-	-	-	-
At 30 June 2004	35,788	48,719	131,448	57,494	273,449
Depreciation					
At 1 July 2003	22,296	24,367	78,416	20,991	146,070
Charge for the year	8,180	8,009	35,483	15,066	66,738
Disposals	-	-	-	-	-
At 30 June 2004	30,476	32,376	113,899	36,057	212,808
Net Book Value					
At 30 June 2004	5,312	16,343	17,549	21,437	60,641
At 30 June 2003	13,492	24,352	49,592	36,503	123,939

12. STOCK AND WORK IN PROGRESS

	2004 £	2003 £
Raw materials	20,796	25,043
Work in progress	134,570	133,647
	<u>155,366</u>	<u>158,690</u>

13. DEBTORS

	2004 £	2003 £
Trade debtors	883,818	849,902
Amounts owed by group undertakings	-	14,092
Other debtors	12,593	5,120
Prepayments and accrued income	57,978	40,752
	<u>954,389</u>	<u>909,866</u>

14. CREDITORS: amounts falling due within one year

	2004 £	2003 £
Bank overdraft	86,663	54,673
Trade creditors	284,776	787,854
Amounts owed to group undertakings	2,522,351	2,611,233
Corporation tax payable	190,291	146,051
Other taxation and social security	103,884	80,777
Other creditors	6,355	17,649
Subscriptions and fees in advance	666,640	665,791
Accruals	351,580	350,427
	<u>4,212,540</u>	<u>4,714,455</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

15. DEFERRED TAXATION

The liability for deferred taxation is as follows:

	2004	2003
	£	£
Accelerated capital allowances	64,396	65,652
Taxable losses carried forward	-	-
Undiscounted liability carried forward	<u>64,396</u>	<u>65,652</u>
Discount	(24,261)	(26,796)
Discounted provision for deferred taxation	<u>40,135</u>	<u>38,856</u>
Provision at 1 July 2003	38,856	
Deferred tax charge in profit and loss account for year	1,279	
Provision at 30 June 2004	<u>40,135</u>	

16. CALLED UP SHARE CAPITAL

	Number	Authorised	Allotted, Issued and fully paid
		£	£
At 30 June 2003 and 30 June 2004			
'A' ordinary shares of £1 each	150,000	150,000	150,000
'B' ordinary shares of £1 each	50,000	50,000	50,000
	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

Both 'A' and 'B' shares carry equal rights with regard to voting, dividends and priority in the event of winding up.

17. PROFIT AND LOSS ACCOUNT

	Twelve month period to 30 June 2004	Twelve month period to 30 June 2003
	£	£
Opening balance	190,137	88,683
Profit for the period	35,498	101,454
Dividends	-	-
Closing balance	<u>225,635</u>	<u>190,137</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Twelve month period to 30 June 2004	Twelve month period to 30 June 2003
	£	£
Opening balance	390,137	288,683
Retained profit for the period	35,498	101,454
Closing balance	<u>425,635</u>	<u>390,137</u>

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

19. ANALYSIS OF MOVEMENT IN NET FUNDS/(DEBT)

	As at 1 July 2003	Cashflow	As at 30 June 2004
Cash at Bank	70,755	(18,207)	52,548
Overdraft	(54,673)	(31,990)	(86,663)
	<u>16,082</u>	<u>(50,197)</u>	<u>(34,115)</u>

20. RELATED PARTY TRANSACTIONS

Wilmington Group plc together with other wholly owned subsidiaries offer certain group wide purchasing facilities to the company whereby the actual costs are recharged. However the following other services were provided during the period for which appropriate charges, as set out below, were made:

	Twelve month period to 30 June 2004 £	Twelve month period to 30 June 2003 £
Provision of circulation services by W.D.I.S. Limited	88,193	84,965
Provision of finance at commercial rates of interest to Wilmington Publishing Limited	(46,385)	(43,690)

At the balance sheet date amounts owing to group companies are as follows:

	2004 £	2003 £
Wilmington Group plc	1,633,459	1,083,402
Wilmington Media Limited	874,178	1,513,625
W.D.I.S. Limited	14,714	14,206

At the balance sheet date amounts owing from group companies is as follows:

Wilmington Business Information Limited	-	14,092
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21. PENSION AND SIMILAR OBLIGATIONS

Polygon Media Limited is a member of the Wilmington Media defined benefit group pension scheme for a limited number of employees. Total Polygon Media Limited membership of the Scheme at 30 June 2004 was 10 (2003 - 10). The benefits under the Scheme accrue from 6 March 2000 and are based on final salary. The contribution rate is determined by a professionally qualified independent Actuary and the principal actuarial assumptions adopted are that, over the long-term, the annual rate of return on new investments would be 2.0 per cent. higher than the annual increase in total pensionable remuneration and 3.5 per cent. higher than the annual increase in future pensions in the course of payment. There are no variations from the regular cost to be allocated over the average remaining working working lives of current employees.

POLYGON MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2004 (CONTINUED)

21. PENSION AND SIMILAR OBLIGATIONS (continued)

The Actuary values the scheme every three years. The last actuarial valuation was carried out as at 31 March 2001. The independent Actuary reported that the market value of the assets was £1,469,000 which represented 102 per cent. of the benefits which had been accrued to members, after allowing for expected future increases in earnings, and that the contribution rate currently being paid by Polygon Media Limited is sufficient to meet the cost of the benefits expected to arise in respect of future service. The assets are held separately in a trustee administered fund and managed by an independent firm of investment managers. Full details of the Scheme can be found in the financial statements of Wilmington Media Limited.

The company contributes to defined contribution pension arrangements of a limited number of other employees. Apart from this, no pension benefits are provided to any other employee of the company. Total contributions to the scheme during the year were £8,076 (2003 - £7,233).

22. 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.