

Registered No. 4040110

Archant Holdings Limited

Annual Report and Financial Statements

31 December 2010

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COMPANIES HOUSE

Archant Holdings Limited

Registered No 4040110

DIRECTORS

B G McCarthy
A D Jeakings

SECRETARY

J O Ellison

AUDITORS

Ernst & Young LLP
Compass House
80 Newmarket Road
Cambridge
CB5 8DZ

REGISTERED OFFICE

Prospect House
Rouen Road
Norwich
NR1 1RE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their annual report together with the audited financial statements for the year ended 31 December 2010

RESULTS AND DIVIDENDS

The company had no income or expenditure during the year and, accordingly, no profit and loss account has been prepared. Interim dividends of £nil have been paid (2009 £nil). The directors do not recommend the payment of a final dividend.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The company is the holding company for the Archant group's trading operations.

On 21 December 2010, the company acquired 50% of the ordinary share capital of Local Vouchers Limited, a company engaged in group selling of discount vouchers.

Treasury management, associated risks and uncertainties

The bank facilities of the Archant group are managed centrally. The main risks that the Group faces from its treasury activities are liquidity risk and interest rate risk. The Group's treasury objective is to minimise borrowing costs and maximise returns on funds subject to short-term liquidity requirements.

Liquidity risk results from having insufficient financial resources to meet day-to-day fluctuations in working capital and cash flow. Ultimate responsibility for the Group's liquidity risk management rests with the Board of the parent company. The Group manages liquidity risk by maintaining adequate reserves, by regularly monitoring forecast and actual cash flows and by maintaining a mixture of long-term and short-term committed facilities that are designed to ensure the Group has sufficient available funds for operations and planned expansions.

DIRECTORS

The directors who held office during the period were as follows:

A D Jeakings
B G McCarthy

Archant Holdings Limited

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 assume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving this report are listed on page 2. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirm that

- to the best of their knowledge and belief, there is no information relevant to the preparation of this report of which the company's auditors are unaware; and
- they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.


GOING CONCERN

The directors believe that the Company has adequate resources and will have available to it sufficient future funding to enable it to continue in operational existence for the foreseeable future. Accordingly the directors have continued to adopt the going concern basis in preparing the accompanying financial statements.

AUDITORS

Ernst & Young LLP are deemed re-appointed as the company's auditor in accordance with section 487(2) Companies Act 2006.

By order of the board



J O Ellison
Secretary

22 July 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARCHANT HOLDINGS LIMITED

We have audited the financial statements of Archant Holdings Limited for the year ended 31 December 2010 which comprise the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

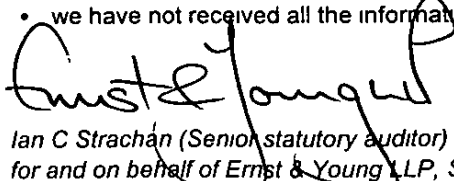
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


Ian C Strachan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge

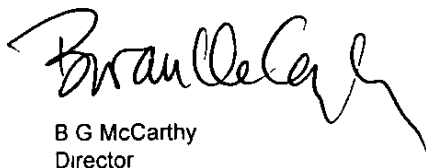
25 July 2011

Archant Holdings Limited

BALANCE SHEET AT 31 DECEMBER 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Investment in subsidiary undertakings	3	63,487,361	63,420,126
Investment in associate	4	-	3,336,476
		<u>63,487,361</u>	<u>66,756,602</u>
CURRENT ASSETS			
Called up share capital not paid		1	1
CREDITORS Amounts falling due within one year	5	(67,235)	-
NET CURRENT (LIABILITIES)/ASSETS		<u>(67,234)</u>	<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,420,127	66,756,603
CREDITORS amounts falling due after more than one year			
Amounts due to group companies		-	(3,336,476)
NET ASSETS		<u>63,420,127</u>	<u>63,420,127</u>
CAPITAL AND RESERVES			
Called up share capital	6	55,320,127	55,320,127
Share premium account	7	8,100,000	8,100,000
Profit and loss account	7	-	-
SHAREHOLDERS' FUNDS	7	<u>63,420,127</u>	<u>63,420,127</u>

These accounts were approved by the Board of Directors on 22 July 2011 and are signed on their behalf by


 B G McCarthy
 Director

The Notes on pages 7 to 10 form part of these financial statements

Archant Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and are drawn up in accordance with United Kingdom Generally Accepted Accounting Practice

The financial statements have been prepared on the going concern concept as the ultimate parent undertaking has agreed to continuing financial support for the foreseeable future to enable the company to meet its obligations

Group financial statements

The company is exempt under section 408 of the Companies Act 2006 from the requirement to prepare group financial statements as it is itself a wholly owned subsidiary of a company registered in England

The financial statements present information about the company as an individual undertaking and not about its group

2 PROFIT AND LOSS ACCOUNT

The company has not traded during the year and accordingly it has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

Auditors' remuneration

Auditors' remuneration for both audit and non-audit services has been borne by other group companies.

Directors' remuneration

The directors of the company are also directors of the holding company and fellow subsidiaries. The directors received total remuneration for the year, including defined contribution pension contributions but excluding accrued defined benefit pension entitlements, of £713,151 (2009: £815,194), all of which was paid by the holding company. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies. Mr AD Jeakings is a member of the Archant defined benefit pension scheme, and Mr BG McCarthy is a member of the Archant defined contribution pension scheme. The accrued pension entitlements of Mr AD Jeakings are disclosed in the directors' remuneration report in the 2010 annual report of Archant Limited.

Archant Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

3 INVESTMENT IN SUBSIDIARY UNDERTAKINGS	2010 £	2009 £
Investment at cost		
At 1 January	63,420,126	13,420,126
Additions	67,235	50,000,000
At 31 December	<u>63,487,361</u>	<u>63,420,126</u>

During the year the company has invested £67,235 to acquire 50% of the ordinary share capital of Local Vouchers Limited. The Archant group exercises dominant influence over the management of Local Vouchers Limited and accordingly the company accounts for this investment as a subsidiary undertaking.

The company's subsidiary undertakings, all of which are incorporated in England, are

<i>Subsidiary</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Activity</i>
Archant Regional Limited	Ordinary shares	100%	Newspaper publishing
Archant Print Limited	Ordinary shares	100%	Printing of newspapers
Archant Lifestyle Plc	Ordinary shares	100%	Magazine holding company
Local Vouchers Limited	Ordinary shares	50%	Group buying of discount vouchers

In the opinion of the directors the value of the investments is not less than their book value.

Archant Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

4 INVESTMENT IN ASSOCIATE	2010 £	2009 £
At 1 January	3,336,476	3,036,476
Investments in the year	-	300,000
Transferred to fellow subsidiary	(3,336,476)	-
At 31 December	-	3,336,476

Following a restructuring of KOS Media (Holdings) Limited, on 21 June 2010 Archant Regional Limited, a subsidiary of the company, acquired the entire issued share capital of KOS Media (Publishing) Limited, the newspaper publishing company of the KOS Media group, from KOS Media (Holdings) Limited

As a result of this transaction, the company transferred its investment in KOS Media (Holdings) Limited to Archant Regional Limited at book value

5 CREDITORS Amounts falling due within one year	2010 £	2009 £
Other creditors and accruals	59,735	-
Amounts owed to fellow subsidiary undertakings	7,500	-
	67,235	-

6 CALLED UP SHARE CAPITAL	2010 £	2009 £
Allotted, called up and fully paid		
55,320,127 ordinary shares of £1 each	55,320,127	55,320,127

7 MOVEMENT IN SHAREHOLDERS' FUNDS

	Share capital £	Share premium £	Profit and loss account £	Shareholders' funds £
At 31 December 2008	5,320,127	8,100,000	-	13,420,127
Profit for the year	-	-	-	-
Shares issued	50,000,000	-	-	50,000,000
At 31 December 2009	55,320,127	8,100,000	-	63,420,127
Profit for the year	-	-	-	-
At 31 December 2010	55,320,127	8,100,000	-	63,420,127

Archant Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

8 CONTINGENT LIABILITY

The company, together with certain other companies in the Archant Group, has provided a floating charge over the undertaking, property, assets and rights of the company, and a cross guarantee to secure sums drawn by the Archant Group under the revolving credit facilities with The Royal Bank of Scotland plc. Details of the RBS facility are contained in the Archant Limited Group financial statements.

9 RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption in paragraph 3 of FRS 8 "Related Party Disclosures" not to disclose transactions with entities that are part of the Archant Limited group and its associates.

10 STATEMENT OF CASH FLOWS

The Company has taken advantage of the dispensation under FRS 1 Section 8 (c) not to publish a cash flow statement. The cash flow statement of the Group is published in the financial statements of Archant Limited.

11 ULTIMATE PARENT UNDERTAKING

At 31 December 2010, the parent undertaking for which group financial statements are drawn up and of which the company was a member was Archant Limited, registered in England and Wales. Copies of that company's financial statements can be obtained from The Registrar, Companies House, Crown Way, Maindy, Cardiff.