

Emap Consumer Media Limited
(formerly Emap Consumer Magazines Limited)

Report and Accounts



For the year ended 31 March 2000

Company Registered No. 1176085

Emap Consumer Media Limited
Index to the report and accounts
For the year ended 31 March 2000

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Emap Consumer Media Limited

DIRECTORS

H A Scott
P D McAleenan
A B Phillips
M R Henson

SECRETARY

D K Walmsley

AUDITORS

PricewaterhouseCoopers
1 Embankment Place
London
WC2N 6NN

REGISTERED OFFICE

1 Lincoln Court
Lincoln Road
Peterborough
PE1 2RF

COMPANY NUMBER

1176085

Emap Consumer Media Limited

Directors' Report

For the year ended 31 March 2000

The directors submit their report and accounts for the year ended 31 March 2000.

Results and dividends

The profit for the year after taxation amounted to £42,822,000 (1999 - £54,368,000). The directors approved the payment of a dividend of £40,000,000 (1999 - £30,000,000) leaving a profit to be retained of £2,822,000 (1999 - £24,368,000).

Principal activity, review of the business and future developments

The company publishes magazines for a number of fellow subsidiaries who act as agents for the company. It is the management's intention to endeavour to maintain and improve upon the present position through the development of the existing business. On 8 February 2000 the company changed its name, by special resolution, to Emap Consumer Media Limited.

Directors and their interests

The directors who served during the year were:

P W Anders	(resigned 1 February 2000)
M H Gough	(resigned 1 February 2000)
S J Gulliford	(resigned 1 February 2000)
K L Hand	(resigned 1 February 2000)
S A Hawken	(resigned 1 February 2000)
D Hepworth	(resigned 1 February 2000)
P A Keenan	(resigned 1 February 2000)
C Llewellyn	(resigned 1 February 2000)
K Marriott	(resigned 1 February 2000)
B W McIlheney	(resigned 1 February 2000)
G T Stott	(resigned 1 February 2000)
H A Scott	(appointed 1 February 2000)
P D McAleenan	(appointed 1 February 2000)
A B Phillips	(appointed 1 February 2000)
M R Henson	(appointed 1 February 2000)

The directors have no interests in the share capital of the company.

The interests of the directors in the share capital of Emap plc, the ultimate parent undertaking, at the beginning (or date of appointment if later) and the end of the year, were as follows:

	Ordinary shares	
	At 31 March 2000	At 1 April 1999
H A Scott	11,733	13,133
P D McAleenan	34,965	35,118
A B Phillips	1,513	1,607
M R Henson	48	48

Emap Consumer Media Limited

Directors' Report

For the year ended 31 March 2000

Ordinary shares under option

	At 1 April 1999	Granted in year	Exercised in year	At 31 March 2000
H A Scott	3,188	-	-	3,188
P D McAleenan	26,538	378	-	26,916
A B Phillips	2,143	868	1,343	1,668
M R Henson	898	217	-	1,115

Shares provisionally allocated under the Executive Share Plan

	At 1 April 1999	Allocated in year	Released/ rescinded in year	At 31 March 2000
H A Scott	4,742	-	-	4,742
P D McAleenan	-	-	-	-
A B Phillips	1,040	-	-	1,040
M R Henson	612	-	-	612

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 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; and
- 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 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.

Emap Consumer Media Limited

Directors' Report

For the year ended 31 March 2000

Creditor payment policy

The company understands the benefits to be derived from maintaining good relationships with its suppliers and the company ensures that, wherever possible, its payments to suppliers for goods and services are made in accordance with suppliers' terms and conditions. Trade creditors at the year end represented 34 days of purchases.

Auditors

The company has elected under section 386 of the Companies Act 1985 not to re-appoint auditors annually. Therefore the auditors, PricewaterhouseCoopers, are deemed to be re-appointed for the next financial year.

Approved by the Board of Directors on 22 March, 2001 and signed on its behalf by:



D K Walmsley
Secretary

Emap Consumer Media Limited

Auditors' Report

For the year ended 31 March 2000

Auditors' report to the members of Emap Consumer Media Limited

We have audited the financial statements on pages 6 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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.

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 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London
12 March, 2001

Emap Consumer Media Limited
Profit and Loss Account
For the year ended 31 March 2000

	<i>Note</i>	2000	1999
		£'000	£'000
Turnover	2	232,976	229,015
Cost of sales		(155,283)	(154,330)
Gross profit		77,693	74,685
Distribution costs		(9,403)	(10,210)
Administrative expenses		(5,657)	(11,028)
Other operating income		-	100
		(15,060)	(21,138)
Operating profit	3	62,633	53,547
Income from investments		3,757	25,450
Loss on disposal of fixed assets		(28)	(98)
Interest payable and similar charges	4	(7,727)	(10,214)
Profit on ordinary activities before taxation		58,635	68,685
Tax on profit on ordinary activities	6	(15,813)	(14,317)
Profit for the financial year		42,822	54,368
Dividends	7	(40,000)	(30,000)
Retained profit for the financial year	17	2,822	24,368

The above results relate to continuing operations.

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

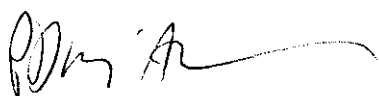
Emap Consumer Media Limited
Statement of Total Recognised Gains and Losses
For the year ended 31 March 2000

	2000	1999
	£'000	£'000
Profit for the financial year	42,822	54,368
Unrealised (loss)/gain on revaluation of foreign equity investments	(20,758)	11,074
Unrealised gain/(loss) on revaluation of foreign currency loans hedging foreign equity investments	18,406	(10,286)
Tax charge on foreign exchange gains taken to reserves	(1,047)	-
Other foreign currency gains/(losses)	3,490	(2,241)
Total recognised gains and losses for the financial year	42,913	52,915
Adjustment relating to the financial year ended 31 March 1998 (see Note 1) - amortisation of intangible fixed assets	-	(329)
Total gains and losses recognised since the last Report and Accounts	42,913	52,586

Emap Consumer Media Limited
Balance Sheet
At 31 March 2000

	Note	2000	1999
		£'000	£'000
Fixed assets			
Intangible assets	8	14,098	14,765
Tangible assets	9	6,079	6,661
Investments	10	199,460	219,184
		219,637	240,610
Current assets			
Stock	11	3,790	3,503
Debtors	12	60,275	79,714
Cash at bank		478	175
		64,543	83,392
Creditors : amounts falling due within one year	13	(224,719)	(268,521)
Net current liabilities		(160,176)	(185,129)
Total assets less current liabilities		59,461	55,481
Provisions for liabilities and charges	15	(1,067)	-
		58,394	55,481
Capital and reserves			
Called up share capital	16	400	400
Profit and loss account	17	57,994	55,081
Total equity shareholder's funds	18	58,394	55,481

Approved by the Board of Directors on 22/3/01



PD McAleenan
Director

Emap Consumer Media Limited

Notes to the Accounts

For the year ended 31 March 2000

1 Accounting policies

Accounting convention

These financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. A summary of the principal accounting policies is set out below.

Consolidation

Consolidated accounts have not been prepared as the company is a wholly owned subsidiary of Emap plc, a company registered in England and Wales. It follows that the financial statements present information about the company as an individual undertaking.

Investments

Investments in subsidiary undertakings are included in the balance sheet at cost. Their value is reviewed annually by the Directors and provision is made, where appropriate, for any permanent diminution in value.

Where investments are denominated in foreign currency and there is a corresponding foreign currency hedging liability, exchange differences arising on the foreign currency liabilities are taken to reserves to the extent that they match exchange differences on the investments to which they relate, which are also taken to reserves.

Intangible fixed assets

Publishing rights and titles are capitalised and amortised through the profit and loss account over their estimated useful economic lives, not exceeding 20 years.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is only made for deferred taxation if it is probable that a liability or an asset will crystallise in the foreseeable future.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Any differences arising are dealt with through the profit and loss account.

Depreciation

The cost of tangible fixed assets less estimated residual value on disposal is written down evenly over their expected useful economic lives as follows :

Leasehold property	Over the period of the lease
Machinery, equipment and vehicles	3 to 12 years

Stocks

Stocks and work in progress are stated at the lower of cost or net realisable value. Cost represents purchase costs, including attributable overheads.

Leasing

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Emap Consumer Media Limited

Notes to the Accounts

For the year ended 31 March 2000

1 Accounting policies (cont'd)

Pensions

The ultimate parent company, Emap plc, operates a defined contribution pension plan, Flexiplan, for eligible staff across the group. The group also operates a number of other schemes which are closed to new members. The principal scheme is the Emap Earnings Related Pension Plan, a defined benefit scheme which is funded by payments to trustee administered funds.

The cost of providing pensions under the group's defined benefit scheme is charged against profits on a systematic basis with pension surpluses and deficits arising allocated over the expected remaining service lives of current members.

The cost of providing pensions under the defined contribution scheme is charged to the profit and loss account as it becomes payable.

Differences between the amounts charged in the profit and loss account and payments made to the pension funds are treated as assets or liabilities.

Cash flow statement

The company has taken advantage of the exemption provided by FRS 1 (revised 1996) not to prepare a cash flow statement. A consolidated group cash flow statement, which includes the cash flows of the company, can be found in the accounts of Emap plc.

2 Turnover

Turnover represents invoiced and cash sales and is net of value added tax. Turnover and pre-tax profit from the continuing activity of magazine publishing arises primarily in the UK and is destined for UK customers. Overseas turnover amounted to £10,672,000 (1999 - £16,952,000).

3 Operating profit

	2000 £'000	1999 £'000
(a) This is stated after charging:		
Depreciation of tangible fixed assets	2,939	2,931
Amortisation of intangible fixed assets	832	620
Loss on disposal of fixed assets	28	98
Auditors' remuneration - audit services	50	60
- non-audit services		-
Operating lease rentals - land and buildings	2,107	3,130
- plant and machinery	315	463
	<hr/>	<hr/>
(b) Directors' emoluments:		
	2000 £'000	1999 £'000
Basic salary payments (including benefits in kind)	361	263
Other performance related bonuses	50	16
Pension contributions under the defined contribution scheme	11	5
	<hr/>	<hr/>
	422	284
	<hr/>	<hr/>

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

3(b) Directors' emoluments (cont'd)

	2000 £'000	1999 £'000
The emoluments of the highest paid director were as follows :		
Total emoluments	173	165
Pension contributions	-	-
	<hr/> 173	<hr/> 165
	<hr/>	<hr/>

Retirement benefits are accruing to two (1999 - one) directors under the defined contribution scheme. During the year one (1999 - seven) director exercised options over Emap plc shares.

4 Interest payable and similar charges

	2000 £'000	1999 £'000
Bank loans and overdrafts and other loans wholly repayable within five years	-	8
Interest on intercompany loan	7,727	10,206
	<hr/> 7,727	<hr/> 10,214
	<hr/>	<hr/>

5 Staff costs

(a) Costs (including directors' emoluments)

	2000 £'000	1999 £'000
Wages and salaries	2,885	3,145
Social security costs	486	352
Pension costs	95	148
	<hr/> 3,466	<hr/> 3,645
Staff share bonus	27	43
	<hr/> 3,493	<hr/> 3,688
	<hr/>	<hr/>

(b) Pension costs

The company participates in pension schemes operated by the group. The two largest, one defined contribution, the other defined benefit, cover between them over 90% of total membership. In all cases the assets of the schemes are held in separate trustee administered funds. The most recent valuation of the defined benefit scheme was performed at 5 April 1997 by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. Particulars of the valuation are contained in the accounts of Emap plc.

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

5 Staff costs (cont'd)

(c) Employees	No.	No.
Full-time employees	104	132

(d) Staff share bonus

This bonus is payable under the Emap Share Scheme and Contributory Plan. Under the scheme, all eligible staff will be able to take up shares in Emap plc with a market value of £200 (1999 - £200) without any contribution. In addition they will be invited to make a contribution of £50 (1999 - £50) to obtain additional shares in Emap plc with a market value of £350 (1999 - £325). The shares provided by the company can be acquired tax free by staff after three years.

6 Tax on profit on ordinary activities

	2000	1999
	£'000	£'000
The charge for tax comprises:		
UK corporation tax on the taxable profit for the year at 30% (1999 - 31%)	16,939	14,478
Deferred taxation	(1,126)	(161)
	15,813	14,317

7 Dividends

	2000	1999
	£'000	£'000
Dividend - paid	40,000	30,000

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

8 Intangible assets

**Publishing rights
and titles
£'000**

Cost	
At 1 April 1999	16,508
Additions	284
Disposals	(106)
Exchange movement	(18)
At 31 March 2000	16,668
Amortisation	
At 1 April 1999	(1,743)
Provided during the year	(832)
Exchange movement	5
At 31 March 2000	(2,570)
Net book value at 31 March 2000	14,098
Net book value at 31 March 1999	14,765

9 Tangible fixed assets

	Short Leasehold Property £'000	Equipment and Vehicles £'000	Total £'000
Cost			
At 1 April 1999	4,545	15,369	19,914
Additions	91	2,204	2,295
Transfers	110	646	756
Disposals	(158)	(2,045)	(2,203)
At 31 March 2000	4,588	16,174	20,762
Depreciation			
At 1 April 1999	1,691	11,562	13,253
Provided during the year	553	2,386	2,939
Transfers	91	507	598
Disposals	(146)	(1,961)	(2,107)
At 31 March 2000	2,189	12,494	14,683
Net book value at 31 March 2000	2,399	3,680	6,079
Net book value at 1 April 1999	2,854	3,807	6,661

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

10 Investments in subsidiary undertakings

	£'000
At 1 April 1999	219,184
Acquisitions	1,134
Disposals	(100)
Exchange movements	(20,758)
	<hr/>
At 31 March 2000	199,460
	<hr/> <hr/>

The principal companies in which the company held more than 10% of the equity are set out below. All are registered in and operate in England and Wales, except Emap International Magazines SA which is incorporated in and operates in France.

Name of company	Holding	Proportion	Nature of business
Emap Elan Network Limited	Ordinary shares	100%	Agency
Emap International Magazines SA	Ordinary shares	100%	Publishing
Emap.com Limited	Ordinary shares	100%	Dormant
Emap Metro Limited	Ordinary shares	100%	Agency
Emap National Publications Limited	Ordinary shares	100%	Non-Trading
Hachette/Emap Magazines Limited	Ordinary shares	50%	Publishing
Presse Publishing Limited	Ordinary shares	50%	Publishing
Emap Active Limited	Ordinary shares	100%	Agency
Shire PR and Marketing Limited	Ordinary shares	100%	Dormant

The directors are of the opinion that the aggregate value of the company's investments in subsidiary undertakings (including amounts owed by subsidiary undertakings) is not less than the amount at which they are stated in the accounts.

11 Stock

	2000 £'000	1999 £'000
Raw materials and consumables	3,761	1,776
Work in progress	-	1,724
Goods for resale	29	3
	<hr/>	<hr/>
	3,790	3,503
	<hr/> <hr/>	<hr/> <hr/>

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

12 Debtors

	2000 £'000	1999 £'000
Trade debtors	18,751	17,541
Amounts owed by other group undertakings	3,946	3,762
Amounts owed by subsidiary undertakings	20,502	26,395
Amounts owed by subsidiary undertakings - bank balance transferred to Emap Treasury Limited (see below)	2,239	25,751
Corporation tax	7,488	
Other debtors	812	1,329
Deferred tax (see Note 14)	1,896	770
Prepayments and accrued income	4,641	4,166
	60,275	79,714

The group operates a centralised treasury banking system and surpluses or deficits on the company's bank account are transferred to Emap Treasury Limited on a daily basis.

13 Creditors: amounts falling due within one year

	2000 £'000	1999 £'000
Payments received on account	9,237	8,000
Trade creditors	14,686	13,804
Amounts owed to ultimate parent undertaking	177,662	224,484
Corporation tax	4,093	4,503
Other taxes and social security costs	3,877	4,097
Other creditors	2,976	1,884
Staff share bonus	571	607
Accruals and deferred income	11,617	11,142
	224,719	268,521

14 Deferred tax

Full provision for deferred tax has been made as in the opinion of directors, it is probable that the timing difference will crystallise. The deferred tax asset is as follows:

	2000 £'000	1999 £'000
Depreciation in advance of capital allowances	1,104	667
Other timing differences	792	103
	1,896	770

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

15 Provisions for liabilities and charges

	Property Provisions £'000
At 1 April 1999	-
Provided during the year	1,067
	<hr/>
At 31 March 2000	1,067
	<hr/>

16 Share capital

	2,000 £'000	1,999 £'000
Authorised		
5,000,000 ordinary shares of £1 each	5,000	5,000
	<hr/>	<hr/>
Issued and fully paid		
400,100 ordinary shares of £1 each	400	400
	<hr/>	<hr/>

17 Profit and loss account

	£'000
At 1 April 1999	55,081
Retained profit for the year	2,822
Unrealised loss on revaluation of foreign equity investments	(20,758)
Unrealised gain on revaluation of foreign currency loans hedging foreign equity investments	18,406
Tax charge on foreign exchange gains taken to reserves	(1,047)
Other foreign currency gains	3,490
	<hr/>
At 31 March 2000	57,994
	<hr/>

18 Reconciliation of movement in shareholder's funds

	2000 £'000	1999 £'000
Profit for the financial year	42,822	54,368
Dividend	(40,000)	(30,000)
	<hr/>	<hr/>
Retained profit	2,822	24,368
Other recognised gains and losses relating to the year	91	(1,453)
	<hr/>	<hr/>
Net addition to shareholder's funds	2,913	22,915
	<hr/>	<hr/>
Opening shareholder's funds as previously reported	55,481	33,485
Prior year adjustment - Implementation of FRS10 (Note 1)	-	(919)
	<hr/>	<hr/>
Opening shareholder's funds as restated	55,481	32,566
Net addition to shareholder's funds	2,913	22,915
	<hr/>	<hr/>
Closing shareholder's funds	58,394	55,481
	<hr/>	<hr/>

Emap Consumer Media Limited
Notes to the Accounts
For the year ended 31 March 2000

19 Leasing commitments

The company had annual commitments under non-cancellable operating leases at 31 March 2000 as set out below:

	Land and Buildings £'000	Plant and Machinery £'000
Leases expiring within one year	115	134
Leases expiring between two and five years	302	101
Leases expiring after five years	3,512	11
	<hr/>	<hr/>
	3,929	246
	<hr/>	<hr/>

20 Ultimate parent company

The ultimate parent company of the group of undertakings for which group accounts are drawn up and of which the company is a member is Emap plc, registered in England and Wales. Emap plc is the company's controlling party. Copies of the accounts of Emap plc can be obtained from 1 Lincoln Court, Lincoln Road, Peterborough, PE1 2RF.

21 Related party disclosures

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available under the Financial Reporting Standard No. 8 "Related Party Disclosures".