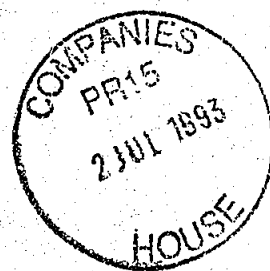


19300



Eastern Counties Newspapers Group Limited

Registered number: 19300

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the registered office, Prospect House, Rouen Road, Norwich, on 17th May 1993, at 12.30 p.m. for the following purposes: To consider and if thought fit to pass the Resolutions numbered 1 to 3 (inclusive) set out below as Ordinary Resolutions.

RESOLUTIONS

1. THAT the Reports of the Directors and Auditors be and are hereby received and approved and that the audited accounts for the year ended 31st December 1992 be and are hereby adopted.
2. THAT Mr T. J. A. Colman and Mr D. L. Bird retiring as Directors at this Meeting by rotation, be re-elected.
3. THAT Ernst & Young be re-appointed Auditors of the Company at a fee to be fixed by the Directors.

By Order of the Board,
G. D. Macleod
Secretary

Eastern Counties Newspapers Group Limited
Prospect House
Rouen Road
Norwich NR1 1RE

23rd April 1993

Note — A member entitled to attend and vote at the meeting is entitled to appoint a proxy for that purpose who need not be a member of the Company.

Directors and Appointments

Directors

T. J. A. Colman	Chairman
G. H. C. Copeman, DL	Chief Executive
Sir James Cleminson, KBE, MC, DL	<i>Non Executive</i>
R. C. Copeman	<i>Non Executive</i>
R. W. Jewson	<i>Non Executive</i>
I. R. Lockett	<i>Non Executive</i>
P. J. C. Troughton	<i>Non Executive</i>
D. L. Bird, JP	
R. J. Cortis	

Secretary and Registered Office

G. D. Macleod
Prospect House
Rouen Road
Norwich
NR1 1RE

Auditors

Ernst & Young
Chartered Accountants

Eastern Counties Newspapers Group Limited

Principal Subsidiaries — Directors and Appointments

Eastern Counties Newspapers Limited

G. H. C. Copeman, DL
D. L. Bird, JP
J. G. H. Hirsch
D. Richardson
M. E. Bennett
R. J. Cortis
L. H. Sear
T. Stevenson

Newspaper Publishing
Chairman
Managing Director
Non Executive
Non Executive

East Anglian Daily Times Company Limited

G. H. C. Copeman, DL
S. A. Edwards
A. B. Brooker
R. L. Dodsworth
R. J. Cortis
M. J. Farahar
J. A. Hustler
T. J. White

Newspaper Publishing
Chairman
Managing Director
Non Executive
Non Executive

Community Media Limited

G. H. C. Copeman, DL
W. Brown
W. H. Fulton
J. P. Lyes
R. J. Cortis
A. J. Halsey
N. G. F. Websper

Newspaper Publishing
Chairman
Managing Director
Non Executive
Non Executive

C.M. Publishing Limited

W. Brown
R. Nicholls
C. H. Dicker
G. M. Eagling
D. Gibbs
A. J. Halsey

Newspaper Publishing
Chairman
Managing Director
Non Executive

Paper Chain (East Anglia) Limited

R. J. Cortis
C. D. W. Broadhead
G. H. R. Clemons
G. W. Marshall
J. O. Ellison
G. D. Macleod

Neighbourhood Retailing
Chairman
Managing Director
Non Executive
Non Executive

Report of the Directors

The directors have pleasure in presenting their report and the audited accounts of the Group for the year ended 31st December 1992.

Directors' Responsibilities for Preparation of the Accounts

The Directors are required by the Companies Act 1985 to prepare accounts which give a true and fair view of the state of affairs of the Group as at the end of its financial year, and of the profit or loss for the financial year. The Directors are also required to maintain adequate accounting records.

Suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the accounts. Applicable accounting standards have been followed.

The Directors are also responsible for taking reasonable steps to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

Accounts

The profit for the year before taxation was £7,881,000. The consolidated profit for the year attributable to members was £4,824,000.

Dividends have been paid or proposed as follows:

	£'000	£'000
6.45% cumulative preference shares		20
15.5% cumulative second preference shares		316
Ordinary shares		
Interim of 3.4p paid 1st October 1992	534	
Proposed final of 4.6p	723	1,257
		<u>1,593</u>

After payment of the above dividends there is an amount of £3,231,000 retained in the business.

Activities and Review of Business Developments

The principal activity of the Group is the printing and publishing of newspapers. Other trading activities undertaken include neighbourhood retailing and the printing of cartons.

Fixed Assets

As disclosed in Notes 12 and 15 the Group expended a total of £7,639,000 on additions to intangible and tangible fixed assets.

Disabled Persons

It is the Group's policy to give full consideration to suitable applications for employment by disabled persons. The need to develop the careers of disabled persons is accepted by the Group, and the necessary steps are taken to train and promote disabled employees where this is in their own and the Group's best interests.

Report of the Directors (continued)

Employee Involvement

Following shareholder approval in 1992 for an Inland Revenue approved Profit Sharing Scheme ordinary shares in the company have been appropriated to 282 employees of Eastern Counties Newspapers Group Limited and East Anglian Daily Times Company Limited who chose to participate in the scheme.

During 1992 the Group continued its practice of encouraging staff involvement. In addition to regular briefing meetings and the publication of in-house staff newspapers for Norwich and Ipswich, working parties drawn from the staff have contributed to the planning processes.

Consultation procedures also take place covering such matters as health and safety and pensions. In addition certain Trustees of the Pension Schemes are employees of the Group.

Donations

Charitable donations made by the company and its subsidiaries totalled £73,000.

Directors

The members of the board who held office during the year are listed on page 4.

The directors retiring by rotation in accordance with the articles of association are Mr T. J. A. Colman and Mr D. L. Bird who, being eligible, offer themselves for re-election. Sir James Cleminson is also retiring by rotation but does not seek re-election.

According to the register kept for the purpose, the directors' interests in the shares of the company were as follows:

	As at 1st January 1992			As at 31st December 1992		
	£1 Preference Shares	£1 Second Preference Shares	20p Ordinary Shares	£1 Preference Shares	£1 Second Preference Shares	20p Ordinary Shares
T. J. A. Colman	—	—	328,604	—	—	328,604
	35,448*	—	3,427,869*	35,448*	—	3,420,877*
G. H. C. Copeman	4,960	38,904	215,778	4,960	38,904	215,778
	1,296*	10,368*	104,194*	1,296*	13,368*	135,182*
Sir James Cleminson	—	—	13,950	—	—	21,950
R. C. Copeman	1,905	18,688	260,000	1,905	18,688	262,000
	4,938*	6,290*	44,099*	4,216*	4,912*	37,923*
I. R. Lockett	—	4,044	153,300	—	4,044	153,300
R. W. Jewson	—	—	7,693	—	—	7,835
P. J. C. Troughton	—	3,333	79,784	—	3,333	79,831
D. L. Bird	—	122	15,315	—	122	23,223
R. J. Cortis	—	—	12,348	—	—	12,348
	1,296*	10,368*	77,760*	1,296*	10,368*	77,760*

* Held as Trustee

Auditors

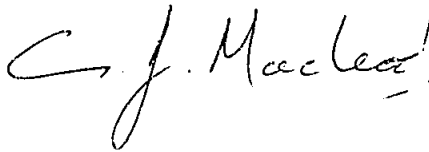
A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board,

G. D. Macleod

Secretary

22nd March 1993

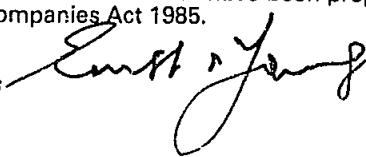


Report of the Auditors to the Members of Eastern Counties Newspapers Group Limited

We have audited the accounts on pages 9 to 22 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the Group at 31st December 1992, and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Chartered Accountants
Registered Auditor



Norwich
22nd March 1993

Consolidated Profit and Loss Account

For the year ended 31st December 1992

	1992	1991
	£'000	£'000
Turnover	118,583	106,181
Other operating income	1,418	1,097
	120,001	107,278
Operating Costs	112,893	100,624
Group Operating Profit	7,108	6,654
Other income	796	811
	7,904	7,465
Interest payable	23	26
Profit on Ordinary Activities Before Taxation	7,881	7,439
Taxation	2,652	2,489
Profit on Ordinary Activities After Taxation	5,229	4,950
Extraordinary item	405	—
Profit Attributable to Members	4,824	4,950
Dividends	1,593	1,485
Retained Profit for the Year	3,231	3,465
Statement of Retained Profits		
Balance at 31st December 1991	34,548	31,014
Goodwill previously written off to reserves	65	—
	34,613	31,014
Retained profit for the year	3,231	3,465
Transfer from revaluation reserve	69	69
Balance at 31st December 1992	37,913	34,548

Eastern Counties Newspapers Group Limited and Subsidiaries

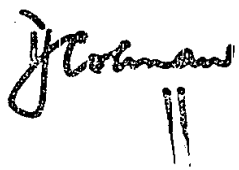
Balance Sheets

31st December 1992

	Note	Consolidated		E.C.N.G.	
		1992	1991	1992	1991
		£'000	£'000	£'000	£'000
Fixed Assets					
Intangible assets	12	13,473	10,962	—	—
Tangible assets	15	33,638	33,343	6,324	6,388
Investments	16	910	925	24,456	25,147
		<u>48,021</u>	<u>45,230</u>	<u>30,820</u>	<u>31,535</u>
Current Assets					
Stocks	13	5,258	4,697	352	552
Debtors	14	12,804	12,195	16,407	11,561
Short term investments		807	922	807	922
Cash and deposits at bank		9,431	9,589	4,694	5,680
		<u>28,300</u>	<u>27,403</u>	<u>22,260</u>	<u>18,715</u>
Creditors — amounts falling due within one year:					
Bank overdraft		2,900	2,475	—	—
Trade and other creditors	19	12,751	12,336	4,826	4,490
Taxation		3,882	4,165	1,579	2,643
Proposed dividend		723	659	723	659
		<u>20,256</u>	<u>19,635</u>	<u>7,128</u>	<u>7,792</u>
Net Current Assets		<u>8,044</u>	<u>7,768</u>	<u>15,132</u>	<u>10,923</u>
Total Assets Less Current Liabilities		<u>56,065</u>	<u>52,998</u>	<u>45,952</u>	<u>42,458</u>
Creditors — amounts falling due after more than one year	20	1,646	1,662	5,043	3,387
Provisions for Liabilities and Charges	18	<u>2,191</u>	<u>2,439</u>	<u>758</u>	<u>1,247</u>
		<u>52,228</u>	<u>48,897</u>	<u>40,151</u>	<u>37,824</u>
Capital and Reserves					
Called up share capital	21	5,491	5,488	5,491	5,488
Share premium account		523	491	523	491
Revaluation reserve	22	8,301	8,370	86	87
Profit and loss account	22	37,913	34,548	34,051	31,758
		<u>52,228</u>	<u>48,897</u>	<u>40,151</u>	<u>37,824</u>

T. J. A. Colman, Director

22nd March 1993



Consolidated Statement of Cash Flows

For the year ended 31st December, 1992

	Note	1992 £'000	1991 £'000
Operating Activities			
Cash received from customers		116,749	106,657
Cash payments to suppliers		(68,028)	(61,256)
Cash paid to and on behalf of employees		(32,306)	(31,687)
Other cash payments		(7,735)	(5,468)
Other cash received		1,239	1,056
Net cash inflow from operating activities	27	9,919	9,302
Returns on Investments and Servicing of Finance			
Interest received		781	
Interest paid		(1)	(35)
Dividends received		174	168
Dividends paid		(1,494)	(1,361)
Net cash outflow from returns on investments and servicing of finance		(557)	(671)
Taxation			
UK corporation tax paid		(2,799)	(3,244)
Investing Activities			
Purchase of fixed assets:			
Intangible		(3,046)	(1,076)
Tangible		(4,593)	(3,983)
Investments		—	(168)
Sale of fixed assets:			
Intangible		—	77
Tangible		444	806
Investments		21	8
Sale of short term investment		—	150
Net cash outflow from investing activities		(7,174)	(4,186)
Net Cash Inflow/(Outflow) Before Financing		(611)	1,201
Financing			
New unsecured loan		(56)	(22)
Hire purchase repayments		28	94
Net cash (inflow)/outflow from financing		(28)	72
Increase/(decrease) in cash and cash equivalents	28	(583)	1,129
		(611)	1,201

31st December, 1992

(a) Basis of Preparation

(b) Basis of Consolidation

The consolidated profit and

Eastern Counties Newspapers Group Limited (E.C.N.G.) and all of its subsidiaries for the year ended 31st December 1992. The company has taken advantage of the exemption allowed by Section 230 of the Companies Act 1985 from presenting its own profit and loss account.

(c) Intangible Fixed Assets

(i) Retail Outlets

This value arises from the excess of the purchase consideration over the fair value ascribed to the net tangible assets on the acquisition of retail shops. In the opinion of the directors these assets, with proper care and maintenance, will retain their value. They are examined annually on an individual branch basis and if performance no longer justifies carrying the asset at its original cost then an appropriate provision is made.

(ii) Newspaper Titles

Costs of newspaper titles represented by the excess of the amount paid over net tangible assets acquired are treated as goodwill. Goodwill in the titles is written off evenly over their expected useful economic life of ten years and is reviewed annually by the directors to ensure that their carrying value is appropriate.

(iii) Goodwill Arising on Consolidation

Goodwill arising on consolidation, representing the excess of the purchase consideration for subsidiary undertakings over the fair value ascribed to their net tangible assets at the respective dates of acquisition, is written off evenly over its expected useful economic life of ten years.

(d) **Tangible Fixed Assets**

Freehold land is not depreciated. Depreciation and amortisation is provided on all other assets in use at the end of each year by equal annual instalments estimated to write off those assets over their useful lives at the following rates:

Freehold buildings	2% or 4%
Leasehold buildings — long	2%
short	Period of lease
Plant, equipment and vehicles	Between 7% and 25%

Film projects are shown at estimated net realisable value.

(e) Leases

Hire purchase obligations are accounted for using the actuarial method. Rentals under operating leases are charged on a straight line basis over the period of each lease.

(f) Stocks and Work in Progress

Newsprint, other raw materials and retail stocks have been valued at the lower of unit cost and net realisable value. Finished cartons and work in progress are valued at prime cost plus an appropriate portion of production overheads.

(g) Other Income — Investment Income and Surpluses

Investment income represents interest receivable and dividends received in respect of the year. Realised profits and losses on disposal of investments are included in profit before taxation. Investments are included at cost, no provision being made for temporary diminution in market values in relation to cost at any balance sheet date.

(h) Deferred Taxation

Provision is made for deferred taxation, using the liability method on all timing differences to the extent that it is probable that the liability will crystallise.

(i) Pensions

The group operates a number of pension schemes. The major schemes are of the defined benefit type, which require contributions to be made to separately administered funds. Contributions to these funds are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives within the group. The pension cost is assessed in accordance with the advice of qualified actuaries.

(i) Translation of Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies, held at the year end, are translated at the rate of exchange ruling at the balance sheet date or the rate at which the transaction is contracted to be settled.

Notes on the Accounts (continued)

2. Turnover

Turnover represents the value, excluding VAT, in respect of:

- (a) Sales of newspapers and publishing of advertisements;
- (b) Retail sales;
- (c) Sales of cartons.

3. Segmental Analysis

	1992			1991		
	Turnover £'000	Profit £'000	Net Assets £'000	Turnover £'000	Profit £'000	Net Assets £'000
Printing and publishing of newspapers	61,623	4,848	19,438	60,066	4,331	15,441
Retailing	47,012	1,304	8,936	37,598	1,647	8,165
Manufacture and printing of cartons	9,948	466	3,277	8,517	352	2,974
Properties	—	490	13,303	—	324	13,163
	<u>118,583</u>	<u>7,108</u>	<u>44,014</u>	<u>106,181</u>	<u>6,654</u>	<u>39,743</u>
Other income less interest payable		773			785	
Unallocated net assets			8,214			9,154
	<u>7,881</u>	<u>52,228</u>	<u>52,228</u>	<u>7,429</u>	<u>48,897</u>	<u>48,897</u>

All sales were made in the United Kingdom.

4. Operating Costs

	1992 £'000	1991 £'000
Increase in stocks of finished goods and work in progress	(835)	(317)
Raw materials and consumables	49,343	41,354
Other external charges	4,948	5,607
Staff costs — wages and salaries	30,059	27,687
Social Security costs	2,373	2,199
other pension costs	1,867	1,801
Depreciation and amortisation	4,382	3,905
Other operating charges	20,756	18,388
	<u>112,893</u>	<u>100,624</u>

5. Group Operating Profit is stated after charging:

	1992 £'000	1991 £'000
Directors' remuneration (note 6)	461	422
Auditors' remuneration — audit services	114	104
non-audit services	142	163
Rentals under operating leases	1,742	1,277
Exceptional item — redundancy costs	358	—
	<u>3,817</u>	<u>2,966</u>

Notes on the Accounts (continued)

6. Directors' Remuneration

	1992	1991
	£'000	£'000
Fees	52	37
Other emoluments (including pension contributions)	360	344
Performance Related Pay	49	41
	<u>461</u>	<u>422</u>

The Performance Related Pay is calculated by reference to annual performance targets that are defined by the remuneration committee.

The emoluments of the chairman and of the highest paid director, excluding pension contributions, were respectively £66,000 (1991: £60,000) and £104,000 (1991: £97,000), including respectively £2,000 (1991: £2,000) and £18,000 (1991: £16,000) in respect of performance related pay.

The emoluments, excluding pension contributions, of the directors fell within the following ranges:

Gross emoluments	Number of directors	
	1992	1991
£5,001 to £10,000	4	5
£10,001 to £15,000	1	1
£55,001 to £60,000	-	1
£65,001 to £70,000	1	-
£75,001 to £80,000	-	2
£80,001 to £85,000	1	-
£85,001 to £90,000	1	-
£95,001 to £100,000	-	1
£100,001 to £105,000	1	-

7. Employees

The average number of persons employed by the group, including directors, during the year was as follows:

	1992	1991
Printing and publishing	1,680	1,668
Retailing	203	115
Carton manufacturing	128	126
	<u>2,011</u>	<u>1,909</u>

8. Other Income

	1992	1991
	£'000	£'000
Interest and dividends receivable, including tax credit:		
Listed investments	170	159
Unlisted investments	63	65
Short term interest	557	545
	<u>790</u>	<u>769</u>
Surplus on disposal	6	42
	<u>796</u>	<u>811</u>

9. Interest Payable

	1992	1991
	£'000	£'000
Overdraft and loans — repayable within five years	23	26

Notes on the Accounts (continued)

10. Taxation

	1992	1991
	£'000	£'000
Corporation Tax on profit for year:		
Current at 33% (1991: 33.25%)	2,858	2,377
Deferred at 33% (1991: 33%)	52	101
Tax credit on investment income	65	65
	2,975	2,543
Adjustments relating to previous years	(323)	(54)
	2,652	2,489

11. Dividends

	1992	1991
	£'000	£'000
6.45% Cumulative Preference Shares	20	18
15.5% Cumulative Second Preference Shares	316	306
	336	324
Ordinary Shares:		
Interim of 3.4p paid on 1st October 1992	534	—
Further dividend of 3.2p in respect of the year to 31st December 1989	—	502
Interim of 4.2p payable 3rd April 1992	—	659
Proposed final of 4.6p	723	—
	1,257	1,161
	1,593	1,485

12. Intangible Fixed Assets

	1992	1991
	£'000	£'000
Retail outlets		
Cost:		
At 31st December 1991	8,238	7,701
Additions during year	2,500	577
Disposals during year	—	(40)
At 31st December 1992	10,738	8,238
Provision for permanent diminution in value	256	100
Net book amount	10,482	8,138
Goodwill and newspaper titles		
Cost:		
At 31st December 1991	3,871	3,373
Additions during year	546	498
At 31st December 1992	4,417	3,871
Amortisation:		
At 31st December 1991	1,047	735
Charge for the year	379	312
At 31st December 1992	1,426	1,047
Net book amount	2,991	2,824
	13,473	10,962

Notes on the Accounts (continued)

13. Stocks

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Raw materials	964	1,238	352	552
Work in progress	276	507	—	—
Finished goods and goods for resale	4,018	2,952	—	—
	<u>5,258</u>	<u>4,697</u>	<u>352</u>	<u>552</u>

14. Debtors

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Trade debtors	10,674	10,474	3,941	4,319
Prepayments and accrued income	1,491	1,258	380	226
Amounts owed by subsidiary undertakings	—	—	12,011	6,831
Other debtors	639	463	75	185
	<u>12,804</u>	<u>12,195</u>	<u>16,407</u>	<u>11,561</u>

Amounts owed by subsidiary undertakings are due after more than one year.

15. Tangible Fixed Assets

Movements on tangible fixed asset accounts have been:

	Freehold land and buildings	Leasehold buildings	Plant, equipment, & vehicles	Films	Total
	£'000	£'000	£'000	£'000	£'000
CONSOLIDATED					
Cost or valuation					
At 31st December 1991	16,791	1,096	28,861	4,100	50,848
Additions	286	506	3,801	—	4,593
Reclassification	(23)	(22)	45	—	—
Disposals	(53)	(4)	(1,769)	—	(1,826)
At 31st December 1992	<u>17,001</u>	<u>1,576</u>	<u>30,938</u>	<u>4,100</u>	<u>53,615</u>
Depreciation					
At 31st December 1991	259	211	14,575	2,460	17,505
Charge for year	260	94	3,466	27	3,847
Reclassification	—	(3)	3	—	—
Relating to disposals	(4)	(1)	(1,370)	—	(1,375)
At 31st December 1992	<u>515</u>	<u>301</u>	<u>16,674</u>	<u>2,487</u>	<u>19,977</u>
Net Book amounts					
At 31st December 1992	<u>16,486</u>	<u>1,275</u>	<u>14,264</u>	<u>1,613</u>	<u>33,638</u>
At 31st December 1991	<u>16,532</u>	<u>885</u>	<u>14,286</u>	<u>1,640</u>	<u>33,343</u>

Included in freehold land and buildings is land valued at £3,950,000 (1991: £3,851,000).

Notes on the Accounts (continued)

15. Tangible Fixed Assets (continued)

	Leasehold buildings	Plant, equipment, & vehicles	Films	Total
	£'000	£'000	£'000	£'000
E.C.N.G.				
Cost or valuation				
At 31st December 1991	136	10,792	4,100	15,028
Additions during year	—	1,310	—	1,310
Disposals	—	(455)	—	(455)
At 31st December 1992	136	11,647	4,100	15,883
Depreciation				
At 31st December 1991	6	6,174	2,460	8,640
Charge for year	2	1,196	27	1,225
Relating to disposals	—	(306)	—	(306)
At 31st December 1992	8	7,064	2,487	9,559
Net book amounts				
At 31st December 1992	128	4,583	1,613	6,324
At 31st December 1991	130	4,618	1,640	6,388

	Freehold		Leasehold			
	Consolidated	E.C.N.G.	Long Consolidated	Short	Long E.C.N.G.	Short
	£'000	£'000	£'000	£'000	£'000	£'000
At valuation						
1991	13,521	—	125	—	125	—
1985	—	—	119	—	—	—
1979	—	—	—	4	—	2
At cost	3,480	—	403	925	—	9
	17,001	—	647	929	125	11

Depreciation on freehold and leasehold properties for the year has been based on the revalued amount. Based on cost the consolidated charge would have been lower by £69,000.

If freehold and leasehold land and buildings had not been revalued they would have been included at the following amounts.

	Freehold		Leasehold	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
CONSOLIDATED				
Cost	8,044	7,834	1,330	850
Aggregate depreciation	1,014	854	854	767
E.C.N.G.				
Cost	—	—	36	36
Aggregate depreciation	—	—	31	30

Notes on the Accounts (continued)

16. Fixed Asset Investments

	Other investments	Total
	£'000	£'000
CONSOLIDATED		
Cost		
At 31st December 1991	950	950
Disposals	(15)	(15)
At 31st December 1992	935	935
Amounts written off		
At 31st December 1991 and 1992	25	25
Net book amounts		
At 31st December 1992	910	910
At 31st December 1991	925	925

	Subsidiary undertakings	Other investments	Total
	£'000	£'000	£'000
E.C.N.G.			
Cost			
At 31st December 1991	25,206	949	26,155
Disposals	(411)	(15)	(426)
At 31st December 1992	24,795	934	25,729
Amounts written off			
At 31st December 1991	983	25	1,008
Charge for year	225	—	225
At 31st December 1992	1,208	25	1,233
Net book amounts			
At 31st December 1992	23,587	909	24,496
At 31st December 1991	24,223	924	25,147

Other investments at net book value include:

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Equity:				
Listed on the London Stock Exchange	753	768	753	768
Unlisted	157	157	156	156
	910	925	909	924
Aggregate market value of listed investments	3,786	3,308	3,786	3,308

The unlisted investments, consisting of equity share capital, are valued by the directors at £436,000 (1991: £436,000)

In arriving at market or directors' valuation no provision has been made for taxation which would be payable amounting to a maximum of £740,000 (1991: £670,000) in the event of disposals at these values.

At 31st December 1992 the Group held shares amounting to more than one-tenth in nominal value of certain classes of share capital issued by the following:

Mediaserve Limited (registered in England)

6.0% of total issued ordinary shares (includes A and B) of £1 each.

18.75% of issued redeemable cumulative preference shares of £1 each.

Notes on the Accounts (continued)

16. Fixed Asset Investments (continued)

Subsidiary undertakings

At 31st December 1992 the company's wholly owned trading subsidiary undertakings were:

	Nature of business
East Anglian Daily Times Company Limited	Newspaper publishing
Paper Chain (East Anglia) Limited	Retailing
Slade Packaging Limited	Carton manufacturing
Community Media Limited	Newspaper publishing
E.C.N.G. (Jersey) Limited	Investment company
E.C.N.G. Properties Limited	Property
The Anglia Advertiser Limited	Newspaper publishing
Mid Anglia Newspapers Limited	Newspaper publishing

E.C.N.G. (Jersey) Limited is registered in Jersey. All other subsidiary undertakings are registered in England.

17. Extraordinary Item

	1992	1991
	£'000	£'000
Provision for loss on sale of Slade Packaging Limited in 1993	405	—

18. Provisions for Liabilities and Charges

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Deferred taxation	1,776	1,765	758	653
Other provisions	415	674	—	594
	<u>2,191</u>	<u>2,439</u>	<u>758</u>	<u>1,247</u>

Deferred taxation:

The major components of the provision for deferred taxation and the amounts not provided are as follows:

	Provided		Not provided	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
CONSOLIDATED				
Accelerated capital allowances	1,878	1,907	272	271
Other timing differences	(102)	(142)	204	254
Valuation of land and buildings	—	—	1,759	1,815
	<u>1,776</u>	<u>1,765</u>	<u>2,235</u>	<u>2,340</u>
E.C.N.G.				
Accelerated capital allowances	863	860	—	—
Other timing differences	(105)	(207)	16	16
Valuation of land and buildings	—	—	19	19
	<u>758</u>	<u>653</u>	<u>35</u>	<u>35</u>

Notes on the Accounts (continued)

19. Trade and Other Creditors

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Trade creditors	6,439	6,843	910	1,390
Tax and Social Security	854	513	284	290
Other creditors	2,738	2,997	881	1,166
Obligations under leases and hire purchase contracts	30	13	—	—
Amounts owed to subsidiary undertakings	—	—	1,599	936
Accruals and deferred income	2,690	1,970	1,152	708
	<u>12,751</u>	<u>12,336</u>	<u>4,826</u>	<u>4,490</u>

20. Creditors

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Amounts falling due after more than one year:				
Obligations under leases and hire purchase contracts	33	22	—	—
Loans — film finance	1,613	1,640	1,613	1,640
Amounts owed to subsidiary undertakings	—	—	3,430	1,747
	<u>1,646</u>	<u>1,662</u>	<u>5,043</u>	<u>3,387</u>

The loans relating to film finance are interest free and repayable out of film receipts prior to 14th December 2013. They are secured by charges on the copyright and physical material relating to two films owned by the company and shown under that heading in tangible fixed assets.

21. Called Up Share Capital

	Authorised		Allotted, called up and fully paid	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
6.45% Cumulative Preference Shares of £1 each	308	308	308	308
15.5% Cumulative Second Preference Shares of £1 each	2,042	2,042	2,042	2,042
Ordinary shares of 20p each				
15,707,343 issued	3,650	3,650	3,141	3,138
	<u>6,000</u>	<u>6,000</u>	<u>5,491</u>	<u>5,488</u>

During the year 18,242 ordinary shares were taken up as an alternative to a dividend.

Notes on the Accounts (continued)

22. Reserves

	Share Premium account	Revaluation surplus	Profit and loss account
	£'000	£'000	£'000
CONSOLIDATED			
At 31st December 1991	491	8,370	34,548
Goodwill previously written off to reserves	—	—	65
Retained profit for the year	—	—	3,231
Distributable element of depreciation charge	—	(69)	69
Arising on share issues	32	—	—
	<u>523</u>	<u>8,301</u>	<u>37,913</u>

The cumulative amount of goodwill written off at 31st December 1992 is £4,229,000.

E.C.N.G.			
At 31st December 1991	491	87	31,758
Retained profit for the year (after dividends of £1,593,000)	—	—	2,292
Distributable element of depreciation charge	—	(1)	1
Arising on share issues	32	—	—
	<u>523</u>	<u>86</u>	<u>34,051</u>

23. Capital Commitments

Approved future capital expenditure at 31st December 1992, for which no provision has been made in these accounts, amounted to:

	Consolidated		E.C.N.G.	
	1992	1991	1992	1991
	£'000	£'000	£'000	£'000
Contracts placed	158	103	34	17
Approved by the Board but no contracts placed	23,343	1,243	22,030	2
	<u>23,501</u>	<u>1,346</u>	<u>22,064</u>	<u>19</u>

24. Commitments Under Operating Leases

At 31st December 1992 annual commitments under non-cancellable operating leases for land and buildings were:

	Consolidated	
	1992	1991
	£'000	£'000
Operating leases which expire:		
Within one year	136	85
Within two to five years	463	202
Over five years	1,337	1,153
	<u>1,936</u>	<u>1,440</u>

The company had no annual commitments under non-cancellable operating leases.

Notes on the Accounts (continued)

25. Contingent Liabilities

A subsidiary has a contingent liability for rents due under property leases assigned if the landlord is unable to obtain settlement from the assignee.

The company has guaranteed the bank overdraft of the L.C.N.G. Employee Benefit Trust. At 31st December 1992 the overdraft was £138,000.

26. Pension Schemes

The Group operates a number of pension schemes. The total pension cost for the Group charged in the profit and loss account was £1,867,000 (1991: £1,801,000). The major schemes are of the defined benefit type, the assets of which are held separately from those of the Group.

The contributions to these schemes are determined with the advice of an independent qualified actuary, using the projected unit method. The pension costs were based on the most recent actuarial valuations of the schemes, the effective dates of which were 1st January 1990 for the Pension and Life Assurance Scheme and 1st July 1992 for the Senior Management Pension Scheme using the following main assumptions:

Rate of return on investments	9.5% per annum
Rate of salary increases	7% per annum
Pension increases	5% per annum
Equity dividend increases	5% per annum

For the Pension and Life Assurance Scheme, the actuarial valuation at 1st January 1990 showed that the market value of the Scheme's assets was £28,383,000 and the actuarial value of the assets represented 93% of the liability for benefits that had accrued to members for service to review date, based on salaries projected to retirement. Further contributions, in addition to the current employers' regular contribution of 8.7%, are being made in order to eliminate this deficiency over a period of 12 years, the average remaining service lives of the members.

For the Senior Management Pension Scheme, the actuarial valuation at 1st July 1992 showed that the market value of the Scheme's assets was £5,946,000. The actuarial value of the assets represented 83% of the liability for benefits that had accrued to members for service to valuation date, based on salaries projected to retirement. A lump sum contribution of £500,000 was made in December 1992. Further contributions, in addition to the current employers' regular contribution rate of 19.2% to 31st December 1992 and 21.8% from 1st January 1993, are being made in order to eliminate this deficiency over a period of 12 years, the average remaining service lives of the members.

27. Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	1992	1991
	£'000	£'000
Operating profit	7,108	6,654
Depreciation	3,847	3,553
Amortisation	535	352
Goodwill	65	—
(Profit)/loss on sale of fixed assets	7	(175)
Increase in stocks	(561)	(353)
(Increase)/decrease in debtors	(784)	147
Increase/(decrease) in creditors	366	(671)
Decrease in provisions	(259)	(205)
Extraordinary item	(405)	—
	<u>9,919</u>	<u>9,302</u>

28. Cash and Cash Equivalents

	1992	1991	Change in year
	£'000	£'000	£'000
Cash and deposits at bank	9,431	9,589	(158)
Bank overdraft	(2,900)	(2,475)	(425)
	<u>6,531</u>	<u>7,114</u>	<u>(583)</u>

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