

**Company Registration Number 202570**

**BRISTOL EVENING POST & PRESS LIMITED  
(FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**Report and Financial Statements**

**3 October 2004**

**Deloitte & Touche LLP  
London**



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**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**REPORT AND FINANCIAL STATEMENTS 2004**

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**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

M D Lowe  
T J Kitchen (appointed 5 April 2004)

**SECRETARY**

P S Collins

**REGISTERED OFFICE**

31-32 John Street  
London  
WC1N 2QB

**SOLICITORS**

Foot Anstey Sargent  
21 Derry's Cross  
Plymouth  
Devon  
PL1 2SW

**BANKERS**

National Westminster Bank plc  
PO Box 34  
15 Bishopsgate  
London  
EC2P 2AP

**AUDITORS**

Deloitte & Touche LLP  
London

# **BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 3 October 2004.

## **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The company has not traded during the year, and has no plans to recommence trading in the foreseeable future. The company changed its name from Western Media Publishing Limited to Bristol Evening Post & Press Limited on 29 January 2004.

## **RESULTS AND DIVIDENDS**

The loss after taxation for the financial year of the company amounted to £5,000 (2003: profit of £1,744,000). The directors do not recommend that a dividend be paid (2003: £148.00 per share) leaving £5,000 (2003: £499,000) to be transferred from (2003: to) reserves.

## **DIRECTORS**

The names of the current directors of the company, all of whom held office throughout the year, unless otherwise stated, are set out on page 1. In addition, A R Goode resigned on 9 April 2004

## **DIRECTORS' INTERESTS**

The interests of T J Kitchen in Daily Mail and General Trust plc are disclosed in the annual report of Bristol United Press Limited (formerly Bristol Evening Post & Press Limited). He had no other interests in group companies at any time during the year.

The other director of the company at 3 October 2004 had no interests in the shares of any group companies at any time during the year.

No director of the company has or had a discloseable interest in any contract of significance existing during or at the end of the year.

## **AUDITORS**

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



P S Collins  
Secretary

15th October 2004

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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; 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**

### **BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

We have audited the financial statements of Bristol Evening Post & Press Limited (formerly Western Media Publishing Limited) for the year ended 3 October 2004, which comprise the profit and loss account, the balance sheet, reconciliation of movements in equity shareholders' funds and the related notes 1 to 14. 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 an auditors' 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 described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

#### **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 3 October 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

#### **DELOITTE & TOUCHE LLP**

Chartered Accountants and  
Registered Auditors  
London

*7 January 2005*

**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**PROFIT AND LOSS ACCOUNT**

**Year ended 3 October 2004**

	<b>Note</b>	<b>2004 £'000</b>	<b>2003 £'000</b>
<b>TURNOVER</b>	<b>2</b>	<b>-</b>	<b>390</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>-</b>	<b>51</b>
Profit on disposal of business		-	1,721
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>3</b>	<b>-</b>	<b>1,772</b>
Taxation on profit on ordinary activities	<b>6</b>	<b>(5)</b>	<b>(28)</b>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>(5)</b>	<b>1,744</b>
Dividends paid and proposed	<b>7</b>	<b>-</b>	<b>(1,245)</b>
<b>RETAINED (LOSS)/PROFIT FOR THE YEAR</b>	<b>11</b>	<b>(5)</b>	<b>499</b>

All activities relate to discontinued operations.

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

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

**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**BALANCE SHEET**  
At 3 October 2004

	Note	2004 £'000	2003 £'000
<b>CURRENT ASSETS</b>			
Debtors	8	1,053	2,081
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(1,050)	(2,073)
<b>NET ASSETS</b>		<u>3</u>	<u>8</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	8	8
Profit and loss account	11	(5)	-
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>3</u>	<u>8</u>

These financial statements were approved by the Board of Directors on 15<sup>th</sup> October 2004.

Signed on behalf of the Board of Directors



**T J Kitchen**  
Director



**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**

**Year ended 3 October 2004**

	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
(Loss)/profit on ordinary activities after taxation	(5)	1,744
Dividends	-	(1,245)
	<hr/>	<hr/>
Net (decrease)/increase in equity shareholders' funds	(5)	499
Opening equity shareholders' funds/(deficit)	8	(491)
	<hr/>	<hr/>
Closing equity shareholders' funds	3	8

**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 3 October 2004

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared under the historical cost convention.

**Depreciation**

Depreciation is calculated to amortise the cost of tangible assets by equal annual instalments over their estimated useful lives as follows:

Fixtures, plant, equipment and motor vehicles	3 to 25 years
-----------------------------------------------	---------------

**Deferred taxation**

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Pension costs**

The company has taken advantage of the transitional arrangements of FRS17, Retirement Benefits, which permit the costs, accruals and prepayments recorded in the accounts to be reported under the requirements of SSAP 24, Accounting for Pension Costs. This is consistent with the basis adopted last year.

Thus, the cost of providing pensions is calculated using actuarial valuation methods, which reflect the long-term costs of providing pensions.

The amount charged to the profit and loss account is calculated so as to produce a substantially level percentage of the current and future pensionable payroll. Variations from the regular cost so calculated are allocated to the profit and loss account over the average remaining service lives of employees.

The additional disclosures required by FRS17 are shown in note 12.

**Cash flow statement**

The company is ultimately a wholly owned subsidiary of Daily Mail and General Trust plc and the cash flows of the company are included in the consolidated cash flows of Daily Mail and General Trust plc.

Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 3 October 2004

## 2. TURNOVER

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied and is stated after the deduction of trade discounts.

Turnover consists entirely of sales made in the United Kingdom.

3. OPERATING PROFIT	2004		2003	
	£'000	£'000	£'000	£'000
Turnover		-		390
Other operating charges	-		(44)	
Auditors' remuneration - audit fees	-		1	
Total other operating charges	-		(43)	
Staff costs	-		(254)	
Depreciation - owned assets	-		(42)	
		-		(339)
Operating profit		-		51

Audit fees are borne by Bristol United Press Limited, a fellow group company.

During the prior year, the company entered into an agreement with PA News Limited to sell off Central Press Features, one of its operating units. The transaction was completed on 4 December 2002 and resulted in the sale of approximately £300,000 in assets for a cash payment from PA News Limited of approximately £2,000,000. This profit on disposal was shown as an exceptional item on the face of the profit and loss account.

## 4. EMPLOYEES

The average number of persons (excluding directors) employed by the company:	2004	2003
	No.	No.
Publishing	-	17
Total staff costs comprised:	£'000	£'000
Wages and salaries	-	217
Social security costs	-	25
Pension costs	-	12
	-	254

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 3 October 2004

## 5. DIRECTORS' EMOLUMENTS

	2004 £'000	2003 £'000
The emoluments of the directors of the company were as follows:		
Aggregate emoluments (including benefits)	-	75

The emoluments of A R Goode (until date of resignation), M D Lowe and T J Kitchen were paid by Bristol United Press Limited (formerly Bristol Evening Post & Press Limited) and are excluded from the details above. It is not practicable to split their remuneration between the services provided to Bristol United Press Limited and fellow group companies. Their remuneration is fully disclosed in the accounts of Bristol United Press Limited (formerly Bristol Evening Post & Press Limited).

## 6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2004 £'000	2003 £'000
<b>Corporation tax</b>		
Corporation tax charge for the year	-	19
Under provision in respect of prior year	5	7
	5	26
<b>Deferred tax</b>		
Timing differences origination and reversal	-	2
Taxation on profit on ordinary activities	5	28

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2003: 30%). The current tax charge for the year is greater than 30% (2003: less than 30%) for the reasons set out in the following reconciliation:

	£'000	£'000
Profit on ordinary activities before taxation	-	1,772
	£'000	£'000
Taxation on profit on ordinary activities at standard rate	-	532
Factors affecting the charge:		
Disallowed expenses	-	2
Capital allowances timing differences	-	2
Profit on disposal of business	-	(517)
Under provision in respect of prior year	5	7
	5	26

The company is not currently aware of any factors other than the above timing differences that may materially affect the future tax charge.

**BRISTOL EVENING POST & PRESS LIMITED (FORMERLY WESTERN MEDIA PUBLISHING LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 3 October 2004**

<b>7. DIVIDENDS</b>	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
<b>Dividends on equity shares</b>		
Ordinary proposed of £nil (2003: proposed of £148.20) per share	-	1,245
<b>8. DEBTORS</b>	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
Corporation tax recoverable	75	56
Amounts owed by group undertakings	978	2,025
	<u>1,053</u>	<u>2,081</u>
<b>9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
Amounts owed to group undertakings	1,050	828
Dividends payable	-	1,245
	<u>1,050</u>	<u>2,073</u>
<b>10. CALLED UP SHARE CAPITAL</b>	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
<b>Authorised</b>		
15,000 Ordinary shares of £1 each	15	15
	<u>£'000</u>	<u>£'000</u>
<b>Allotted, called up and fully paid</b>		
8,401 Ordinary shares of £1 each	8	8
	<u>£'000</u>	<u>£'000</u>
<b>11. PROFIT AND LOSS ACCOUNT</b>		<b>£'000</b>
At 28 September 2003		-
Retained loss for the year		(5)
At 3 October 2004		<u>(5)</u>

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 3 October 2004

## 12. PENSION ARRANGEMENTS

The company operates pension schemes under which contributions are paid by the employer and employees

**BUP Pension Fund and the Harmsworth Pension Scheme**

With effect from 1 July 2004, the BUP Pension Fund was merged with the Harmsworth Pension Scheme, the pension arrangement offered to all employees at other Northcliffe Newspapers Group centres. The Harmsworth Pension Scheme is now the principal scheme for the Company and is providing unchanged benefits for ex-members of the BUP Pension Fund.

The principal scheme is a defined benefit pension arrangement, providing service-related benefits based on final pensionable salary. The assets of the scheme are held independently from the Company's finances and are administered by trustee companies. Pension costs are assessed on the advice of an independent qualified actuary following triennial valuations using the projected unit method.

A valuation of the scheme was carried out as at 31 March 2001 and the assumptions having the most significant effect on the pension costs reported under SSAP24 'Accounting for Pension Costs' are shown in the following table:

Price Inflation	2.5% p.a.
Salary Increases	4.3% p.a.
Pension Increases	2.5% p.a.
Investment Return	6.75% p.a.
Dividend Growth	3.5% p.a.

The surpluses or deficits identified from the valuation of the principal scheme are amortised over a period of 11 years using the straight line method.

The results of the triennial valuation of the principal scheme as at 31<sup>st</sup> March, 2004 have not yet been finalised. However, interim valuations carried out as at 31<sup>st</sup> March of each year have highlighted the impact on the scheme of changing market conditions and falling investment returns. As a result, the Company agreed with the Trustees to increase cash contributions to the principal scheme from 12% to 15% of pensionable salaries from 1<sup>st</sup> October, 2003. Additionally, pending completion of the 2004 actuarial valuation, it has been agreed to increase the pension cost charged in these accounts to 15% of pensionable salaries for the principal scheme, in line with the cash contribution rate.

The contribution rate paid by employees in the principal scheme is 5% of pensionable salaries. The scheme remains open to eligible new employees. The pension charge for the year ended 3 October 2004 was £nil (2003: £12,000).

**FRS 17 'Retirement Benefits'**

As permitted by the transitional arrangements of FRS 17, the costs, accruals and prepayments recorded in the financial statements continue to be reported in accordance with the requirements of SSAP 24. The company is unable to identify its share of the underlying assets and liabilities in the defined benefit scheme since the scheme includes members from other companies within the Daily Mail and General Trust plc group. Under FRS 17 the scheme will therefore be accounted for as a defined contribution scheme by the company. Full disclosures in relation to the scheme are given in the accounts of the Daily Mail and General Trust plc group.

As included in the financial statements of Daily Mail and General Trust plc for the year ended 3 October 2004, the latest interim actuarial valuation at 3 October 2004 prepared in accordance with FRS 17 showed that the market value of the principal scheme's assets was £430.3 million and that the actuarial value of these assets represented 81% of the benefits that had accrued to members (also calculated in accordance with FRS 17). Full disclosures in relation to the scheme are given in the accounts of the Daily Mail and General Trust plc. The impact of this funding position on the contribution rates for this company are disclosed earlier in the SSAP 24 section of this note.

The effect of UITF 6, 'Accounting for post-retirement benefits other than pensions', is not material.

**Stakeholder Pensions**

The Company provides access to a stakeholder pension plan for relevant employees who are not eligible for other pension schemes operated by the Group.

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 3 October 2004**

**13. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under FRS8 Related Party Disclosures not to disclose related party transactions between companies which are 90% owned by the ultimate parent company.

**14. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The company is 100% owned by Bristol United Press Limited (formerly Bristol Evening Post & Press Limited).

The directors regard the ultimate parent company as Rothermere Continuation Limited, a company incorporated in Bermuda. The ultimate controlling party is The Viscount Rothermere, the Chairman of Daily Mail and General Trust plc.

The largest and smallest group of which the company is a member and for which group accounts are drawn up is that of Daily Mail and General Trust plc, registered in England and Wales. Copies of the report and accounts are available from:

The Company Secretary  
Daily Mail and General Trust plc  
Northcliffe House  
2 Derry Street  
Kensington  
London  
W8 5TT