

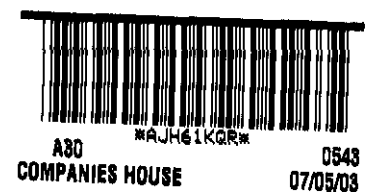
Company Registration Number 202570

**WESTERN MEDIA PUBLISHING LIMITED**

**Report and Financial Statements**

**29 September 2002**

**Deloitte & Touche  
Bristol**



# **WESTERN MEDIA PUBLISHING LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2002**

### **CONTENTS**

	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in equity shareholders' defecits	8
Notes to the accounts	9

# **WESTERN MEDIA PUBLISHING LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

A R Goode (Chairman)  
E T Rayner (Managing Director)  
M D Lowe  
N D M Weston

### **SECRETARY**

J A L Long

### **REGISTERED OFFICE**

Temple Way  
Bristol  
BS99 7HD

### **SOLICITORS**

Foot Anstey Sargent  
The Foot & Bowden Building  
21 Derry's Cross  
Plymouth  
Devon  
PL1 2SW

### **BANKERS**

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

### **AUDITORS**

Deloitte & Touche  
Bristol

## **WESTERN MEDIA PUBLISHING LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 29 September 2002.

### **PRINCIPAL ACTIVITY**

The principal activity of the company is the publishing of niche periodicals and has remained unchanged since last year.

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

Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future. The company has 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 has resulted in the sale of approximately £300,000 in assets for a cash payment from PA News Limited of approximately £2,000,000.

### **RESULTS AND DIVIDENDS**

The profit after taxation for the financial year of the company amounted to £167,000 (2001: £168,000). The directors recommend that a dividend of £20.88 per share be paid (2001: £21.04 per share) leaving nil to be transferred to reserves.

### **DIRECTORS**

The names of the current directors of the company, all of whom held office throughout the year, are set out on page 1. In addition, P K M Kearney resigned on 4 March 2002.

### **DIRECTORS' INTERESTS**

No director of the company had 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.

### **EMPLOYEES**

It is the responsibility of the management to encourage the involvement and participation of the employees in the company.

Management makes every effort to ensure regular contact and exchange of information with staff. It is the company's policy to give full and fair consideration to suitable applications from disabled persons for employment. Where employees become disabled in the course of their employment, they will continue to be employed, wherever practicable, in the same job or, if this is not practicable, every effort will be made to find suitable alternative employment and to provide appropriate training.

### **POLICY AND PRACTICE ON THE PAYMENT OF CREDITORS**

The company's policy on supplier payments is to agree to terms of payment at the time of placing an order for goods or services. Unless different terms have been negotiated at the outset, the normal payment terms of the supplier will be accepted. The company makes every effort to abide by the terms agreed with each supplier.

For the year ended 29 September 2002, the average payment period for trade creditors was 33 days (2001: 30 days).

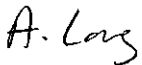
**WESTERN MEDIA PUBLISHING LIMITED**

**DIRECTORS' REPORT (continued)**

**AUDITORS**

A resolution to reappoint Deloitte & Touche as auditors will be proposed at the forthcoming Annual General Meeting.

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



J A L Long  
Secretary

23 December 2002

## **WESTERN MEDIA PUBLISHING LIMITED**

### **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 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  
WESTERN MEDIA PUBLISHING LIMITED**

We have audited the financial statements of Western Media Publishing Limited for the year ended 29 September 2002, which comprise the profit and loss account, the balance sheet, reconciliation of movements in equity shareholders' deficits and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

**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.

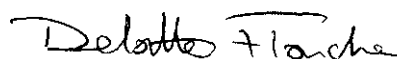
**Basis of audit opinion**

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 29 September 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE**  
Chartered Accountants and  
Registered Auditors  
Bristol

9 January 2003

# WESTERN MEDIA PUBLISHING LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 29 September 2002

	Note	2002 £'000	2001 £'000
<b>TURNOVER</b>	2	<u>1,378</u>	<u>1,336</u>
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	221	233
Taxation on profit on ordinary activities	6	<u>(54)</u>	<u>(65)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		167	168
Dividends paid and proposed	7	<u>(167)</u>	<u>(168)</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	15	<u>-</u>	<u>-</u>

All activities relate to discontinuing operations.

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

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



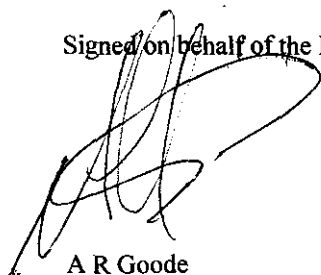
# WESTERN MEDIA PUBLISHING LIMITED

## BALANCE SHEET At 29 September 2002

	Note	2002		2001	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		153		212
Investments	9		2		2
			<u>155</u>		<u>214</u>
<b>CURRENT ASSETS</b>					
Debtors	10	277		234	
Cash at bank and in hand		80		-	
		<u>357</u>		<u>234</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	(1,003)		(933)	
<b>NET CURRENT LIABILITIES</b>			<u>(646)</u>		<u>(699)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(491)		(485)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	13		-		(6)
<b>NET LIABILITIES</b>			<u>(491)</u>		<u>(491)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		8		8
Profit and loss account	15		(499)		(499)
<b>EQUITY SHAREHOLDERS' DEFICITS</b>			<u>(491)</u>		<u>(491)</u>

These financial statements were approved by the Board of Directors on 23 December 2002.

Signed on behalf of the Board of Directors



A R Goode  
Chairman

**WESTERN MEDIA PUBLISHING LIMITED**

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

**Year ended 29 September 2002**

	<b>2002</b> <b>£'000</b>	<b>2001</b> <b>£'000</b>
Profit on ordinary activities after taxation	167	168
Dividend	(167)	(168)
	<hr/>	<hr/>
Net decrease in equity shareholders' deficits	-	-
Opening equity shareholders' deficits	(491)	(491)
	<hr/>	<hr/>
<b>Closing equity shareholders' funds</b>	<b>(491)</b>	<b>(491)</b>
	<hr/>	<hr/>

## **WESTERN MEDIA PUBLISHING LIMITED**

### **NOTES TO THE ACCOUNTS**

**Year ended 29 September 2002**

#### **1. ACCOUNTING POLICIES**

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

##### **Basis of accounting**

The financial statements are prepared under the historical cost convention.

The financial statements contain information about Western Media Publishing Limited as an individual company and do not contain consolidated financial information of the group. The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group is included by full consolidation in the consolidated financial statements of its ultimate United Kingdom parent, Daily Mail and General Trust plc, a company registered in England and Wales.

##### **Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation.

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

##### **Depreciation**

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

Fixtures, equipment, and motor vehicles	4 to 12 years
---	---------------

##### **Investments**

Investments are held at cost less amounts charged for any impairment in value.

##### **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.

# WESTERN MEDIA PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS

Year ended 29 September 2002

### 1. ACCOUNTING POLICIES (continued)

#### 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 17.

#### 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.

### 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	2002		2001	
	£'000	£'000	£'000	£'000
Turnover		1,378		1,336
Staff costs	(861)		(804)	
Depreciation - owned assets	(57)		(88)	
Auditors' remuneration - audit fees	(1)		(1)	
Other operating charges	(238)		(210)	
		(1,157)		(1,103)
Operating profit		221		233

# WESTERN MEDIA PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS

Year ended 29 September 2002

### 4. EMPLOYEES

	2002 No.	2001 No.
The average number of persons employed by the company by activity:		
Editorial	52	40
Publishing	-	12
Administration	3	3
	<u>55</u>	<u>55</u>
Total staff costs comprised:	<b>£'000</b>	<b>£'000</b>
Wages and salaries	774	738
Social security costs	52	46
Pension costs	35	20
	<u>861</u>	<u>804</u>

### 5. DIRECTORS' EMOLUMENTS

	2002 £'000	2001 £'000
The emoluments of the directors of the company were as follows:		
Aggregate emoluments (including benefits)	<u>68</u>	<u>92</u>

Included within the aggregate emoluments figure above are £nil (2001: £25,000) of performance related bonuses payable to certain directors by Northcliffe Newspapers Group Limited, the parent company.

Of the directors at 29 September 2002 who received emoluments during the year, retirement benefits are accruing to one director under a defined benefit scheme (2001: one director).

The emoluments of A R Goode are paid by Bristol United Press plc and are excluded from the details above. It is not practicable to split his remuneration between the services provided to Bristol United Press plc and its subsidiary companies. His remuneration is fully disclosed in the accounts of Bristol United Press plc.

The emoluments of P K M Kearney, until date of resignation, N D M Weston and M D Lowe were paid by 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 Evening Post Limited & Press and Western Media Publishing Limited. Their remuneration is fully disclosed in the accounts of Bristol Evening Post & Press Limited.

**WESTERN MEDIA PUBLISHING LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 29 September 2002**

<b>6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>2002 £'000</b>	<b>2001 £'000</b>
<b>Corporation tax</b>		
Corporation tax charge for the year	61	76
<b>Deferred tax</b>		
Timing differences origination and reversal	(7)	(11)
<b>Taxation on profit on ordinary activities</b>	<u>54</u>	<u>65</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2001: 30%). The current tax charge for the year is less than 30% (2001: exceeds 30%) for the reasons set out in the following reconciliation:

	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before taxation	<u>221</u>	<u>233</u>
	<b>£'000</b>	<b>£'000</b>
Taxation on profit on ordinary activities at standard rate	66	70
Factors affecting the charge:		
Capital allowances timing differences	(5)	6
	<u>61</u>	<u>76</u>

The company is not currently aware of any factors that may materially affect the future tax charge.

<b>7. DIVIDENDS</b>	<b>2002 £'000</b>	<b>2001 £'000</b>
<b>Dividends on equity shares</b>		
Ordinary proposed of £20.88 (2001: £21.04) per share	<u>167</u>	<u>168</u>

# WESTERN MEDIA PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS Year ended 29 September 2002

### 8. TANGIBLE FIXED ASSETS

	Fixtures, equipment, and motor vehicles £'000
<b>Cost</b>	
At 1 October 2001	610
Additions	43
Disposals	(68)
Group transfers	(103)
	<hr/>
At 29 September 2002	482
<b>Accumulated depreciation</b>	
At 1 October 2001	398
Charge for the year	57
Disposals	(68)
Group transfers	(58)
	<hr/>
At 29 September 2002	329
<b>Net book value</b>	
At 29 September 2002	<hr/> 153 <hr/>
At 30 September 2001	<hr/> 212 <hr/>

### 9. FIXED ASSET INVESTMENTS

	Interest in subsidiaries £'000
<b>Net book value</b>	
At 1 October 2001 and 29 September 2002	<hr/> 2 <hr/>

The company owns the whole of the issued share capital of Central Press Features Limited, a dormant company incorporated in Great Britain.

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

# WESTERN MEDIA PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS Year ended 29 September 2002

10. DEBTORS	2002 £'000	2001 £'000
Trade debtors	200	157
Advanced corporation tax recoverable	-	3
Deferred tax asset	11	4
Amounts owed by group undertakings	53	-
Prepayments and accrued income	13	70
	<u>277</u>	<u>234</u>

Prepayments and accrued income includes a pension prepayment of £nil (2001: £3,000) falling due after more than one year.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2002 £'000	2001 £'000
Bank overdraft	-	2
Trade creditors	-	58
Amounts owed to group undertakings	660	586
Taxation and social security	-	100
Corporation tax payable	68	10
Accruals and deferred income	108	9
Dividends payable	167	168
	<u>1,003</u>	<u>933</u>

The company's purchase ledger function is operated by a fellow Northcliffe Newspapers Group Limited subsidiary.

12. DEFERRED TAXATION	£'000
At 1 October 2001	(4)
Movement during the year (note 6)	(7)
<b>At 29 September 2002</b>	<u>(11)</u>

The deferred taxation asset provided in the financial statements is analysed as follows:

	2002 £'000	2001 £'000
Other timing differences	<u>(11)</u>	<u>(4)</u>

There is no unprovided deferred taxation.

A deferred tax asset of £11,000 has been recognised at 29 September 2002 (2001: £4,000). This asset relates to other timing differences. The directors are of the opinion, based on recent and forecast trading, that the level of profits in the current and future years make it more likely than not that the asset will be recovered.



# WESTERN MEDIA PUBLISHING LIMITED

## NOTES TO THE ACCOUNTS

Year ended 29 September 2002

### 13. PROVISIONS FOR LIABILITIES AND CHARGES

	Dilapidation £'000	Deferred taxation £'000	Total £'000
At 1 October 2001	6	-	6
Movement during the year	(6)	-	(6)
<b>At 29 September 2002</b>	<u>-</u>	<u>-</u>	<u>-</u>

### 14. CALLED UP SHARE CAPITAL

	2002 £'000	2001 £'000
<b>Authorised</b>		
15,000 Ordinary shares of £1 each	<u>15</u>	<u>15</u>
	<b>£'000</b>	<b>£'000</b>
<b>Allotted, called up and fully paid</b>		
8,000 Ordinary shares of £1 each	<u>8</u>	<u>8</u>

### 15. PROFIT AND LOSS ACCOUNT

	£'000
At 1 October 2001	(499)
Retained profit for the year	-
<b>At 29 September 2002</b>	<u>(499)</u>

### 16. CONTINGENT LIABILITIES

The company, as part of an interest set-off arrangement, has guaranteed the overdraft facilities of a number of fellow subsidiaries of the Daily Mail and General Trust plc group. The maximum liability under the guarantee is limited to the credit balances on those bank accounts, which are part of the interest set-off arrangement together with the proceeds of any items in the course of collection for the credit of such bank accounts. At 29 September 2002 the potential liability was £89,000 (2001: nil).

## WESTERN MEDIA PUBLISHING LIMITED

### NOTES TO THE ACCOUNTS Year ended 29 September 2002

#### 17. PENSION ARRANGEMENTS

##### BUP Pension Fund

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

The schemes are defined benefit arrangements, 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 the trustees. Pension costs are assessed on the advice of an independent qualified actuary following triennial valuations using the projected unit method.

The most recent actuarial valuation of the defined benefit scheme as at 5 April 1999 showed that the market value of the scheme's assets was £70,400,000. Using the Projected Unit Valuation Method there was surplus at the valuation date amounting to 118% of the benefits that had accrued to members after allowing for expected future increases in earnings. This surplus is being used to enhance pension benefits. The following actuarial assumptions were made in the Projected Unit Valuation Method.

Investment returns	8.0% per annum
Salary growth	3.25% per annum
Discount rate	6.0% per annum
Price inflation	2.5% per annum

The actuarial valuation above has been updated to 29 September 2002, based upon the following assumptions:

Investment returns	7.0% per annum
Salary growth	4.1% per annum
Discount rate	5.5% per annum
Price inflation	2.3% per annum

Fair value of the fund assets as of 29 September 2002, are as follows:

	Fair value BUP pension fund £'000
<b>Managed Funds</b>	
Equity	46,700
Bonds	10,000
Other assets	1,700
Property	1,800
<b>Total fair value of assets at 29 September 2002</b>	<b>60,200</b>

The most recent valuation took place on 5 April 2002 and is expected to be finalised in January 2003.

The pension charge for the year ended 29 September 2002 was £32,000. (2001: £20,000), which includes a reduction in respect of amortisation of experience surpluses that are being recognised over 15 years, the average remaining service lives of employees. A prepayment of £nil (2001: £3,000) is included under debtors, representing the excess of accumulated contributions paid over the equivalent pension charge.

Daily Mail and General Trust plc replaced Western Newspapers Limited, a wholly owned subsidiary of Bristol United Press plc, as the principal employer of the BUP Pension Fund with effect from 1 July 2001. Day-to-day administration of the fund will remain within Bristol United Press plc, but the Daily Mail and General Trust plc pensions office will oversee the administration.

## WESTERN MEDIA PUBLISHING LIMITED

### NOTES TO THE ACCOUNTS Year ended 29 September 2002

#### 17. PENSION ARRANGEMENTS (continued)

With effect from 1 July 2001, the BUP Pension Fund was closed. All current fund members, whether employees or pensioners, will remain in the BUP Pension Fund with their pension entitlements fully protected. In addition employees under the age of 18, who are awaiting membership, may join the BUP Pension Fund when they reach the age of 18. With effect from 1 July 2001, new employees will join Daily Mail and General Trust plc's Harmsworth Pension Scheme.

##### **Harmsworth Pension Scheme**

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

The schemes are defined benefit arrangements, 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 schemes was carried out as at 31 March 2001. The assumptions having the most significant effect on the results of the valuations are shown in the following table:

Price inflation	2.5% per annum
Salary increases	4.3% per annum
Pension increases	2.5% per annum
Investment return	6.75% per annum
Dividend growth	3.5% per annum

The contribution rate paid by employees in the principal scheme is 5% of pensionable salaries and the company's cash contribution is 12% of pensionable salaries.

The surplus identified from the last valuation of the principal scheme is amortised over a year of 11 years using the straight line method. The pension cost to the company of this scheme over the estimated average service life of employees is currently 10.4% of pensionable salaries.

The next valuation of the pension schemes will be carried out as at 31 March 2004.

The pension charge for the company for the year ended 29 September 2002 was £3,000 (2001: £nil).

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 group.

The ratio of assets to liabilities in the principal scheme, calculated according to the requirements of FRS 17 'Retirement Benefits', was 80% at the year end (102% - 2001). If calculated on this basis and reflecting current market conditions, it is anticipated that the pension charge by the Company would be around 24% of pensionable salaries for 2003. However, an interim valuation of this scheme as at 31 March 2002 on the normal funding basis indicated only a marginal reduction in solvency compared with a year earlier. Following this review, the actuary confirmed that there was no particular need to adjust the company cash contribution rate of 12%. However, this position will be closely monitored going forward.

## **WESTERN MEDIA PUBLISHING LIMITED**

### **NOTES TO THE ACCOUNTS**

**Year ended 29 September 2002**

#### **17. PENSION ARRANGEMENTS (continued)**

As permitted by FRS 17, the costs, accruals and prepayments recorded in the financial statements continue to be reported in accordance with the requirements of SSAP 24 '*Accounting for Pension Costs*'.

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

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

#### **18. 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.

#### **19. EVENT OCCURRING AFTER THE END OF YEAR**

The company has 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 has resulted in the sale of approximately £300,000 in assets for a cash payment from PA News Limited of approximately £2,000,000. This transaction will result in a gain to Western Media Publishing of approximately £1,700,000.

#### **20. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The company is 100% owned by Bristol United Press plc, a wholly owned subsidiary of Northcliffe Newspapers Group 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