

**FOUR COUNTIES NEWSPAPERS LIMITED**

**Report and Financial Statements**

**31 December 2002**

Deloitte & Touche  
Edinburgh



**REPORT AND FINANCIAL STATEMENTS 2002**

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**REPORT AND FINANCIAL STATEMENTS 2002**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Mr T J Bowdler  
Mr S R Paterson

**SECRETARY**

Mr P R Cooper

**REGISTERED OFFICE**

New Priestgate House  
57 Priestgate  
Peterborough  
PE1 1JW

**BANKERS**

Barclays Bank plc  
1 Church Street  
Peterborough  
PE1 1QR

**SOLICITORS**

MacRoberts  
152 Bath Street  
Glasgow  
G2 4TB

**AUDITORS**

Deloitte & Touche  
Edinburgh

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### **ACTIVITIES**

The company did not trade during the current or preceding year and has made neither profit nor loss, nor any other recognised gain or loss.

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year were as follows:

Mr T J Bowdler  
Mr S R Paterson

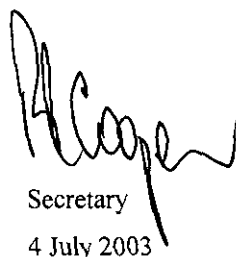
Neither of the directors held any beneficial interest in the share capital of the company at any time during the year.

Both directors are also directors of the ultimate parent company, Johnston Press plc, and their interests in the shares of that company are shown in that company's financial statements.

### **AUDITORS**

Deloitte & Touche were appointed to fill a casual vacancy during the year following the resignation of Arthur Andersen. Deloitte & Touche have intimated their willingness to seek appointment and a resolution to appoint them as auditors of the company will be put to members at the Annual General Meeting.

Approved by the Board of Directors  
and signed by order of the Board



Secretary  
4 July 2003

**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 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  
FOUR COUNTIES NEWSPAPERS LIMITED**

We have audited the financial statements of Four Counties Newspapers Limited for the year ended 31 December 2002 which comprise the balance sheet and the related notes 1 to 5. 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.

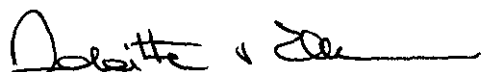
**Basis of audit opinion**

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 31 December 2002 and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche**  
Chartered Accountants and Registered Auditors  
Edinburgh

4 July 2003

**BALANCE SHEET**  
**31 December 2002**

	Note	2002 £'000	2001 £'000
<b>CREDITORS: Amounts falling due within one year</b>	3	(185)	(185)
<b>NET LIABILITIES</b>		<u>(185)</u>	<u>(185)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	4	17	17
Profit and loss account		(260)	(260)
Revaluation reserve		58	58
<b>TOTAL EQUITY SHAREHOLDERS' DEFICIT</b>		<u>(185)</u>	<u>(185)</u>

These financial statements were approved by the Board of Directors on 4 July 2003.

Signed on behalf of the Board of Directors



Director

# NOTES TO THE FINANCIAL STATEMENTS

## Year ended 31 December 2002

### 1. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

The company is a wholly-owned subsidiary of Johnston Press plc and is included in the consolidated financial statements of Johnston Press plc. Thus, the company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of Johnston Press plc.

### 2. PROFIT AND LOSS ACCOUNT

The company did not trade during the current or preceding year and had made neither profit nor loss, nor any other recognised gain or loss.

The auditors' remuneration in both the current and preceding year was borne by another group undertaking.

No director received any remuneration from the company during the year (2001: £nil).

### 3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £'000	2001 £'000
Amounts due to other group undertakings	185	185

### 4. CALLED-UP EQUITY SHARE CAPITAL

	2002 £'000	2001 £'000
<b>Authorised:</b>		
20,000 ordinary shares of £1 each	20	20
<b>Allotted, called-up and fully paid:</b>		
16,560 ordinary shares of £1 each	17	17

### 5. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Johnston Press plc.

The only group in which the results of the company are consolidated is that headed by Johnston Press plc. The financial statements of Johnston Press plc are available to the public and may be obtained from Johnston Press plc, 53 Manor Place, Edinburgh, EH3 7EG.