

Company Registration Number 2010252

**IT'S IN THE BAG LIMITED
FINANCIAL STATEMENTS
YEAR ENDED
31ST DECEMBER 2004**



IT'S IN THE BAG LIMITED

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IT'S IN THE BAG LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	F Dennis (Chairman) A.J. Ramsay I.G.H. Leggett FCA (NZ) CA ACIS B. Reynolds CA (NZ) (appointed 1 October 2005)
Company secretary	I.G.H. Leggett FCA (NZ) CA ACIS
Registered office	30 Cleveland Street London W1T 4JD
Auditors	Bright Grahame Murray Chartered Accountants & Registered Auditors 124/130 Seymour Place London W1H 1BG

IT'S IN THE BAG LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31ST DECEMBER 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2004.

Principal Activities

The principal activity of the company is the publication of contract magazines.

Directors

The directors who served the company during the year are listed on page 1.

In addition, B. Reynolds has served as a director since his appointment on 1 October 2005.

The company is a wholly owned subsidiary undertaking of Dennis Publishing Limited. The ultimate parent undertaking is Dennis Publishing (UK) Limited, a company incorporated in England and Wales.

F. Dennis, A.J. Ramsay, I.G.H. Leggett and B. Reynolds are directors of the ultimate parent undertaking and their interests in the share capital are shown in the directors' report of that company.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Auditors

A resolution to re-appoint Bright Grahame Murray as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

IT'S IN THE BAG LIMITED

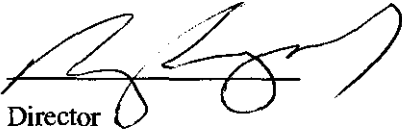
THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2004

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors



Director

Approved by the directors on 31/10/05

IT'S IN THE BAG LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IT'S IN THE BAG LIMITED

YEAR ENDED 31ST DECEMBER 2004

We have audited the financial statements on pages 6 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) , under the historical cost convention and the accounting policies set out on page 8 .

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 auditor's 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 the Directors and the Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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.

IT'S IN THE BAG LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IT'S IN THE BAG LIMITED *(continued)*

YEAR ENDED 31ST DECEMBER 2004

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2004 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

124/130 Seymour Place
London
W1H 1BG

31/10/05

Bright Grahame Murray
brightgrahame murray
Chartered Accountants
& Registered Auditors

IT'S IN THE BAG LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2004

	Note	2004 £	2003 £
Turnover		49,500	—
Cost of sales		18,700	—
Gross Profit		30,800	—
Administrative expenses		—	—
Operating Profit		30,800	—
Interest payable		66	—
Profit on Ordinary Activities Before Taxation		30,734	—
Tax on profit on ordinary activities	2	—	—
Retained Profit for the Financial Year		30,734	—

The notes on pages 8 to 9 form part of these financial statements.

IT'S IN THE BAG LIMITED

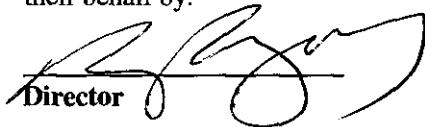
BALANCE SHEET

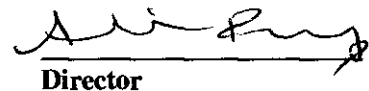
31ST DECEMBER 2004

	Note	2004 £	£	2003 £	£
Current Assets					
Debtors	3	49,502		2	
Creditors: Amounts falling due within one year	4	<u>18,766</u>		<u>-</u>	
Net Current Assets			<u>30,736</u>		<u>2</u>
Total Assets Less Current Liabilities			<u>30,736</u>		<u>2</u>
Capital and Reserves					
Called-up equity share capital	5		2		2
Profit and loss account			<u>30,734</u>		<u>-</u>
Shareholders' Funds			<u>30,736</u>		<u>2</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 31/10/05 and are signed on their behalf by:


Director


Director

The notes on pages 8 to 9 form part of these financial statements.

IT'S IN THE BAG LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2004

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Deferred Taxation

Full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date. Provision is made for future taxation on gains on revalued assets only where a binding agreement to dispose of the asset exists at the year end. Deferred tax assets are only recognised to the extent that the Directors consider that it is more likely than not there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

2. Taxation on Ordinary Activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2003 - 30%).

	2004 £	2003 £
Profit on ordinary activities before taxation	<u>30,734</u>	<u>-</u>
Profit/(loss) on ordinary activities by rate of tax	9,220	-
Group relief claimed	<u>(9,220)</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

3. Debtors

	2004 £	2003 £
Trade debtors	49,500	-
Other debtors	2	2
	<u>49,502</u>	<u>2</u>

4. Creditors: Amounts falling due within one year

	2004 £	2003 £
Amounts owed to group undertakings	<u>18,766</u>	<u>-</u>

IT'S IN THE BAG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004

5. Share Capital

Authorised share capital:

	2004	2003
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

6. Ultimate Controlling Party

The company's immediate parent undertaking is Dennis Publishing Limited, a company incorporated in England and Wales. The ultimate parent undertaking is Dennis Publishing (UK) Limited, a company incorporated in England and Wales and controlled by Mr Felix Dennis.