

**Telemags Limited**

**Directors' Report and Financial Statements  
for the year ended 31 December 2000**

**AI Cherry  
Chartered Accountants  
Registered Auditors  
Moor Park House  
71 Garstang Road  
Preston  
PR1 1LB**





## **Telemags Limited**

### **Company Information**

<b>Directors</b>	OJ Oyston	
	V Oyston	
	JJ Stafford	Resigned 2 August 2000
	K Oyston	
	G Carlisle	Resigned 2 August 2000
<b>Secretary</b>	Mrs RJ Conlon	
<b>Company Number</b>	2197388	
<b>Registered Office</b>	Oyston Mill Strand Road Preston	
<b>Accountants</b>	AI Cherry Moor Park House 71 Garstang Road Preston PR1 1LB	
<b>Bankers</b>	The Royal Bank of Scotland 97 Fishergate Preston PR1 2DP	

**Telemags Limited**

**Contents**

	<b>Page</b>
Directors' Report	<b>1</b>
Accountants' Report	<b>2</b>
Profit and Loss Account	<b>3</b>
Balance Sheet	<b>4 - 5</b>
Notes to the Financial Statements	<b>6 - 9</b>

## Telemags Limited

Directors' Report  
for the year ended 31 December 2000

The directors present their report and the financial statements for the year ended 31 December 2000.

**Principal Activity**

The principal activity of the company is the development of interests in media and leisure, particularly through joint venture arrangements with capital providers. The company was dormant during the year.

**Directors and their Interests**

The directors who served during the year and their interests in the company are as stated below:

		Ordinary shares	
		2000	1999
OJ Oyston		47,059	24,000
V Oyston		-	-
JJ Stafford	Resigned 2 August 2000	-	-
K Oyston		-	-
G Carlisle	Resigned 2 August 2000	-	-

Mr O J Oyston acquired all the issued share capital of Telemags Limited on 2 August 2000 when he bought the interest of the other controlling party in the subsidiary, Jebwill Limited.

**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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective March 2000).

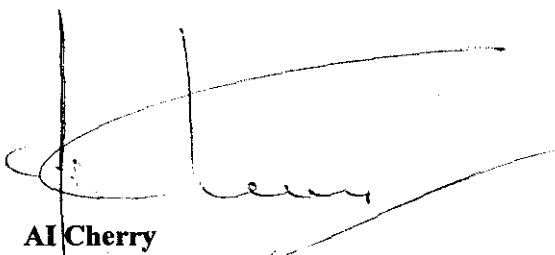
This report was approved by the Board on 12 June 2001 and signed on its behalf by



Mrs RJ Conlon  
Secretary

**Telemags Limited****Accountants' Report on the Unaudited Financial Statements to the Directors of  
Telemags Limited**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2000 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



**AI Cherry**  
**Chartered Accountants**  
**Moor Park House**  
**71 Garstang Road**  
**Preston**  
**PR1 1LB**

**Date: 2 July 2001**

**Telemags Limited**

**Profit and Loss Account  
for the year ended 31 December 2000**

		<b>2000</b>	<b>1999</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Administrative expenses		(1,788)	(587)
<b>Operating loss</b>		(1,788)	(587)
Interest payable and similar charges	<b>2</b>	(1)	-
<b>(Loss) for the year</b>		(1,789)	(587)
Accumulated (loss) brought forward		(451,781)	(451,194)
<b>Accumulated (loss) carried forward</b>		(453,570)	(451,781)

The notes on pages 6 to 9 form an integral part of these financial statements.

**Telemags Limited**

**Balance Sheet**  
**as at 31 December 2000**

		2000		1999	
	Notes	£	£	£	£
<b>Current Assets</b>					
Cash at bank and in hand		2		3	
		<u>2</u>		<u>3</u>	
<b>Creditors: amounts falling due within one year</b>	4	(51,619)		(49,831)	
<b>Net Current Liabilities</b>			(51,617)		(49,828)
<b>Total Assets Less Current Liabilities</b>			(51,617)		(49,828)
<b>Capital and Reserves</b>					
Called up share capital	5		2,353		2,353
Share premium account	6		399,600		399,600
Profit and loss account	6		(453,570)		(451,781)
<b>Shareholders' Funds</b>			(51,617)		(49,828)

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 9 form an integral part of these financial statements.

**Telemags Limited**

**Balance Sheet (continued)**

**Directors' statements required by Section 249B(4)  
for the year ended 31 December 2000**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 December 2000 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 12 June 2001 and signed on its behalf by



**OJ Oyston**  
**Director**

**The notes on pages 6 to 9 form an integral part of these financial statements.**



## Telemags Limited

**Notes to the Financial Statements**  
**for the year ended 31 December 2000**

**1. Accounting Policies****1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

**1.2. Group accounts**

The company and its subsidiary form a small sized group. The company has therefore taken advantage of the exemption given by Section 248 of the Companies Act 1985 not to prepare group accounts. These financial statements present information about the company as an individual undertaking and not as a group.

**1.3. Going Concern**

As shown in the financial statements at 31 December 2000, the company had an excess of current liabilities of £51,617. The company has obtained loans from related parties as detailed in note 4 to the financial statements. In the opinion of the directors, the finance will be sufficient to ensure that the company can continue as a going concern for the foreseeable future. As such, the directors consider it appropriate to prepare these financial statements on the going concern basis.

**2. Interest payable and similar charges****2000****1999**

£

£

On loans and overdrafts

1-**3. Fixed Asset Investments**

**Subsidiary  
Undertakings  
Shares**

**Listed  
Investments**

**Total**

£

£

£

**Cost**

At 1 January 2000

At 31 December 2000

400,00025,000425,000**Provisions for****diminution in value:**

At 1 January 2000

At 31 December 2000

400,00025,000425,000

**Telemags Limited**

**Notes to the Financial Statements  
for the year ended 31 December 2000**

..... continued

**3.1. Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held	Class
<b>Subsidiary undertaking</b>				
Jebwill Limited	UK	Development of interests in media and leisure.	100%	Ordinary 'A' Class

The aggregate amount of capital and reserves and the results of this subsidiary undertaking for the years ended 31 December 2000 and 1999 were as follows:

	Capital and reserves		Profit/(Loss) for the year	
	£ 2000	£ 1999	£ 2000	£ 1999
Jebwill Limited	(15,153)	(13,026)	(2,127)	(1,823)

At the balance sheet date the company owned 25,000 ordinary 'A' shares of £1 each in the subsidiary undertaking, being the whole of that class of shares in issue. This represented 50% of the voting rights and 40% of the rights to dividends of that company.

Full provision has been made against this investment as it has negative capital and reserves.

The trade investment relates to an investment in News on Sunday Publishing plc, a company in liquidation. Full provision has been made against this investment.

<b>4. Creditors: amounts falling due within one year</b>	<b>2000 £</b>	<b>1999 £</b>
Amounts owed to participating interest	22,481	22,481
Amounts owed to connected companies	26,805	25,000
Directors' accounts	1,175	1,175
Accruals and deferred income	1,158	1,175
	<u>51,619</u>	<u>49,831</u>

## Telemags Limited

Notes to the Financial Statements  
for the year ended 31 December 2000

..... continued

5. Share capital	2000 £	1999 £
<b>Authorised</b>		
47,059 Ordinary shares of 5 pence each	<u>2,353</u>	<u>2,353</u>
<b>Allotted, called up and fully paid</b>		
47,059 Ordinary shares of 5 pence each	<u>2,353</u>	<u>2,353</u>

## 6. Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 January 2000	399,600	(451,781)	(52,181)
(Loss) for the year	-	(1,789)	(1,789)
At 31 December 2000	<u>399,600</u>	<u>(453,570)</u>	<u>(53,970)</u>

## 7. Transactions with directors

Included in other creditors is £1,175 (1999:£1,175) due to Mr OJ Oyston, a director and majority shareholder of the company. The amount due is unsecured and free of interest.

The maximum balance owed to Mr OJ Oyston during the year was £1,175. Mr OJ Oyston does not propose to demand repayment of this loan in the foreseeable future.

## 8. Related party transactions

At 31 December 2000 the company owed £22,481 (1999:£22,481) to Jebwill Limited, its subsidiary undertaking. The amount is unsecured and free of interest.

Amounts owed to related party undertakings of £26,805 (1999:£25,000) represents £25,000 due to Hecudd Limited and £1,805 due to Denwis Limited, companies under the control of Mr OJ Oyston, a director and majority shareholder of Telemags Limited. Both loans are unsecured and free of interest.

The amounts owed to Denwis Limited arose during the year when it paid expenses on behalf of Telemags Limited. The year end balance was the maximum balance outstanding in the year. Denwis Limited does not propose to demand repayment of this loan in the foreseeable future.

**Telemags Limited**

**Notes to the Financial Statements  
for the year ended 31 December 2000**

..... continued

**9. Controlling interest**

There was a joint controlling interest in Telemags Limited between Derbyshire County Council and Mr OJ Oyston, for part of the year.

With effect from 2 August 2000, Mr OJ Oyston is the ultimate controlling party of Telemags Limited, owning 100% of its share capital.