

Detailmedium Limited

**Directors' report and financial
statements**

Registered number 2595901

30 June 2002



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2002.

Principal activities

The principal activity of the company in the year under review was that of advertising publishers.

Business review

The results for the year and financial position of the company are as shown in the annexed financial statements.

Proposed dividend

A dividend of £59,000 has been distributed for the year ended 30 June 2002 (2001: £47,000).

Directors and directors' interests

The directors who held office during the year were as follows:

MJ Hothersall
SA Sharples
L Townsend

The directors holding office at 30 June 2002 did not hold any beneficial interest in the issued share capital of the company at 1 July 2001 or 30 June 2002.

Auditors

KPMG were re-appointed auditors on 22 January 2002. However, since that date their business was transferred to a limited liability partnership, KPMG LLP. Accordingly KPMG resigned as auditors on 10 June 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising. A resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



MJ Hothersall
Secretary

Kirkgate House
Marsden Street
Kirkham
Lancashire
PR4 2UJ

20 December 2002

Statement of 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 and of the profit or loss 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, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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Independent auditor's report to the members of Detailmedium Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

Basis of opinion

We conducted our audit in accordance with 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 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP

Chartered Accountants

Registered Auditor

7 January 2003

Profit and loss account
for the year ended 30 June 2002

	<i>Note</i>	2002 £	2001 £
Turnover	<i>1</i>	1,425,508	1,277,926
Cost of sales		(746,099)	(556,916)
Gross profit		679,409	721,010
Administrative expenses		(611,911)	(657,688)
Operating Profit		67,498	63,322
Interest payable and similar charges	<i>3</i>	(221)	(2,410)
Profit on ordinary activities before taxation	<i>2</i>	67,277	60,912
Tax on profit on ordinary activities	<i>4</i>	(8,465)	(14,439)
Profit on ordinary activities after taxation		58,812	46,473
Dividends	<i>5</i>	(59,000)	(47,000)
Retained loss for the year		(188)	(527)
Retained profit brought forward		685	1,212
Retained profit carried forward		497	685

Continuing operations

None of the company's activities were acquired or discontinued during the current and previous years.

Total recognised gains and losses
for the year ended 30 June 2002

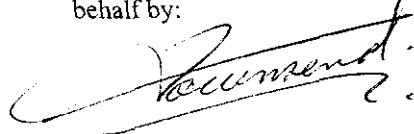
The company has no recognised gains or losses other than the profits for the current and previous years.

Balance sheet

at 30 June 2002

	Note	2002 £	2001 £
Current assets			
Debtors	6	318,214	202,039
Cash at bank and in hand		-	7,097
		<hr/>	<hr/>
		318,214	209,136
Creditors: amounts falling due within one year	7	(317,617)	(208,351)
		<hr/>	<hr/>
Net current assets		597	785
		<hr/>	<hr/>
Total assets less current liabilities		597	785
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		497	685
		<hr/>	<hr/>
Shareholders' funds	9	597	785
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 20 December 2002 and were signed on its behalf by:



L. Townsend

Managing Director



MJ Hothersall

Finance Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company is exempt from the requirements of Financial Reporting Standard Number 1 to prepare a cash flow statement as it is a wholly owned subsidiary of WRT Group Plc and its cash flows are included within the consolidated cash flow statement of the ultimate parent company, Infratext Limited. The consolidated financial statements of Infratext Limited are available from Companies House, Crown Way, Cardiff.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax in accordance with FRS 19.

Advance corporation tax recoverable by deduction from future corporation tax is carried forward within deferred taxation or as ACT recoverable within debtors as appropriate.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Related party transactions

The directors have taken advantage of the exemption in Financial Reporting Standard Number 8, paragraph 3(c) and have not disclosed transactions within entities that are part of the Infratext Group.

2 Profit on ordinary activities before taxation

	2002 £	2001 £
<i>Profit on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration:	3,000	2,400

3 Interest payable and similar charges

	2002 £	2001 £
Tax interest	221	2,410

Notes (continued)

4 Taxation

The tax charge on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
<i>UK corporation tax</i>		
Current tax on income for the period	8,465	14,439

Factors affecting the tax charge for the current year:

	2002 £	2001 £
Profit on ordinary activities before taxation	67,277	60,912
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.75% (2001: 30%)	13,287	18,274
Group relief	(4,822)	-
Marginal rate relief	-	(3,835)
Corporation tax charge for the year	8,465	14,439

5 Dividends

	2002 £	2001 £
Equity shares:		
On ordinary shares	59,000	47,000

6 Debtors: amounts falling due within one year

	2002 £	2001 £
Trade debtors	96,501	55,140
Prepayments	221,713	116,668
Owed from group companies	-	30,231
	318,214	202,039

Notes (continued)

7 Creditors: amounts falling due within one year

	2002 £	2001 £
Bank overdraft	826	-
Trade creditors	23,657	4,383
Other creditors	97,619	82,595
Owed to group companies	82,738	47,000
Taxation	21,561	14,447
Accrued expenses	91,216	59,926
	<hr/> 317,617	<hr/> 208,351

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts fall due within one year or on demand:		
Bank overdrafts	826	-

8 Called up share capital

	2002 £	2001 £
<i>Authorised</i>		
Equity: 1,000 ordinary shares of £1 each	1,000	1,000
<i>Allotted, called up and fully paid</i>		
Equity: 100 ordinary shares of £1 each	100	100

9 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial year	58,812	46,473
Dividends	(59,000)	(47,000)
	<hr/> (188)	<hr/> (527)
Net reduction in shareholders' funds		
Opening shareholders' funds	785	1,312
	<hr/> 597	<hr/> 785
Closing shareholders' funds		
	<hr/> 597	<hr/> 785
Equity interests		
	<hr/> 597	<hr/> 785

Notes *(continued)*

10 Contingent liabilities

The company has given an unlimited cross-guarantee against the bank borrowings of all other group companies. This is supported by a charge over certain group assets.

11 Ultimate parent company

The company is a wholly owned subsidiary of WRT Group Plc, which is incorporated in England and Wales.

The ultimate parent company is Infratext Limited, which is incorporated in England and Wales.