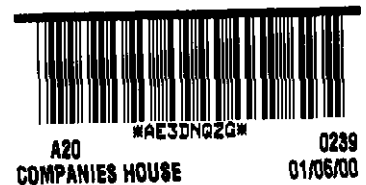


Company No: 3194494

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED

1st JANUARY 2000



THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 1ST JANUARY 2000

CONTENTS	PAGES
Report of the Directors	2 – 3
Report of the auditors	4
Profit and loss account	5
Balance sheet	6
Accounting Policies	7
Notes to the accounts	7

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 1st JANUARY 2000

The directors present their report and accounts for the year (52 weeks) ended 1st January, 2000.

ACTIVITIES AND BUSINESS REVIEW

The company had no transactions during the year. The expenses of the company have been met by the parent company.

BOARD OF DIRECTORS

The directors of the company at 1st January 2000 are listed below:

M. G. Douglas Graham (Chairman)
G. W. Evers

DIRECTORS' INTERESTS

The directors are also directors of the parent company, The Midland News Association Limited and their interests are shown in the Directors' Report of that company.

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare accounts 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 of the company for that period. In preparing these accounts, the Directors confirm that they have :

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards and
- prepared the accounts on the going concern basis.

The Directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

DIRECTORS' REPORT (Continued)

YEAR 2000

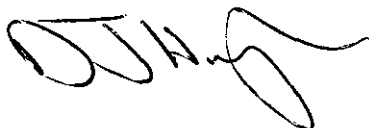
The company did not experience any problems associated with the date related impact of the Year 2000.

The situation will be closely monitored in accordance with best practice. Resources are available to deal with any issue that may arise.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors of the company and their re-appointment will be put to members at the Annual General Meeting.

BY ORDER OF THE BOARD



D. J. HUGHES
Secretary

Registered Office:
Queen Street,
Wolverhampton.

23rd March, 2000.

**AUDITORS' REPORT TO THE MEMBERS OF THE MIDLAND NEWS ASSOCIATION
HOLDINGS LIMITED**

We have audited the accounts on pages 5 to 7, which have been prepared under the historical cost convention modified to include the revaluation of certain assets and on the basis of the accounting policies set out on page 7.

Respective responsibilities of Directors and auditors

As described on page 3, the company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 1st January 2000 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young

Registered Auditor
Birmingham

23rd March, 2000.

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 1st JANUARY 2000.

	Notes	1999 £	1998 £
Profit/(Loss) on ordinary activities before taxation	1	-	-
Taxation		-	-
Profit/(Loss) for the period		<u>-</u>	<u>-</u>

The company has no recognised gains or losses other than those included in the profits above, and therefore no separate statement of recognised gains and losses has been presented.

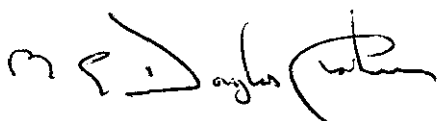
There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents.

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

BALANCE SHEET AT 1st JANUARY 2000

	Notes	1999 £	1998 £
CURRENT LIABILITIES			
Amount due to Parent Undertaking		280,649	280,649
NET CURRENT LIABILITIES		<u>(280,649)</u>	<u>(280,649)</u>
Represented by			
Called up Share Capital	2	1	1
Profit and Loss Account		(280,650)	(280,650)
Shareholders' funds (all equity interests)	3	<u>(280,649)</u>	<u>(280,649)</u>

The accounts on pages 5 to 7 were approved by the Board of Directors on 23rd March 2000 and the following was authorised to sign the accounts on behalf of the Board.



M. G. Douglas Graham
Chairman

THE MIDLAND NEWS ASSOCIATION HOLDINGS LIMITED

ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared on the historical cost basis of accounting and in accordance with the applicable accounting standards in the United Kingdom.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 1st JANUARY 2000

1. Profit on ordinary activities before taxation

The company ceased trading during the year.

2. Employees

There were no employees other than the directors who received no remuneration.

3. Called up share capital

	1999	1998
	£	£
Authorised shares of £1 each	10,000	10,000
	=====	=====
Allotted, called up and fully paid	1	1
	=====	=====

4. Reconcilliation of movements in Shareholders' Funds

	1999	1998
	£	£
Profit/(Loss) for the year	-	-
Opening shareholders' funds	(280,649)	(280,649)
	=====	=====
Closing shareholders' funds	(280,649)	(280,649)
	=====	=====

5. Related Party Disclosure

The company has taken advantage of the exemption in FRS8 as a wholly owned subsidiary not to disclose details of related party transactions required by the standard.

6. Parent Undertaking

The company is a wholly owned subsidiary of The Midland News Association Limited, a company registered in England & Wales. It has included the company in its group accounts.

The ultimate parent undertaking is Claverley Company, a company registered in England and Wales.