

Careneed News Limited  
Annual report  
for the 52 weeks ended 27 January 2007

Registered Number 3381179

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Careneed News Limited

Annual report

for the 52 weeks ended 27 January 2007

Contents

Directors' report for the 52 weeks ended 27 January 2007	1
Independent auditors' report to the members of Careneed News Limited	3
Profit and loss account for the 52 weeks ended 27 January 2007	4
Balance sheet as at 27 January 2007	5
Statement of accounting policies	6
Notes to the financial statements for the 52 weeks ended 27 January 2007	7

# Careneed News Limited

## Directors' report for the 52 weeks ended 27 January 2007

The directors present their report and the audited financial statements of the company for the 52 weeks ended 27 January 2007

### Principal activity

The company's principal activity is that of an intermediate holding company. The company did not trade during the period.

### Review of business

The company was dormant throughout the period and is not expected to trade in the future.

### Results and dividends

The result for the period after taxation was £nil (2006: £nil). The directors do not recommend the payment of a dividend (2006: £nil).

### Directors

The directors who held office during the 52 weeks are given below:

N J Mills

M G Stokoe

R C Linsell

### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

The company did not trade during the period or the preceeding period and made neither a profit or a loss. There were also no other recognised gains and losses for the current financial period or the preceeding financial

# Careneed News Limited

period Accordingly, neither a profit and loss account nor a statement of total recognised gains and losses have been presented

## **Disclosure of information to Auditors**

Each of the persons who is a director at the date of approval of this report confirms that

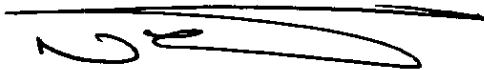
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

## **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting

By order of the Board



N J Mills  
Secretary

1 October 2007

# Careneed News Limited

## Independent auditors' report to the members of Careneed News Limited

We have audited the financial statements of Careneed News Limited for the 52 weeks ended 27 January 2007 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 27 January 2007 and of its result for the 52 weeks then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

1 October 2007

## **Careneed News Limited**

### **Profit and loss account for the 52 weeks ended 27 January 2007**

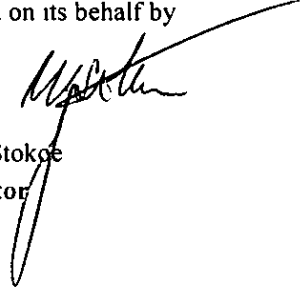
The company did not trade during the period or the preceeding period and made neither a profit or a loss. There were also no other recognised gains and losses for the current financial period or the preceeding financial period. Accordingly, neither a profit and loss account nor a statement of total recognised gains and losses have been presented.

# Careneed News Limited

## Balance sheet as at 27 January 2007

	Note	27 January 2007 £	28 January 2006 £
<b>Fixed assets</b>			
Investments	2	1,314,329	1,314,329
<b>Creditors - amounts falling due within one year</b>	3	(31,017)	(31,017)
<b>Net assets</b>		<b>1,283,312</b>	<b>1,283,312</b>
<b>Capital and reserves</b>			
Called up equity share capital	4	507	507
Profit and loss account	5	1,282,805	1,282,805
<b>Equity shareholders' funds</b>	6	<b>1,283,312</b>	<b>1,283,312</b>

The financial statements on pages 4 to 9 were approved by the board of directors on 1 October 2007 and were signed on its behalf by

  
M G Stokoe  
Director

# Careneed News Limited

## Statement of accounting policies

### **Basis of accounting**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

### **Consolidation**

The financial statements are about Careneed News Limited as an individual company and do not contain consolidated information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Mills (West Midlands) Limited, a company registered in England and Wales.

### **Cash flow statement**

The company is exempt from the requirement of Financial Reporting Standard 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Mills (West Midlands) Limited and its cash flows are included within the consolidated financial statements of Mills (West Midlands) Limited, which are publicly available.

### **Investments**

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.



# Careneed News Limited

## Notes to the financial statements for the 52 weeks ended 27 January 2007

### 1 Profit on ordinary activities before taxation

No audit fees are borne by this company, relevant audit fees are borne by the parent company Mills (West Midlands) Limited

There have been no persons (2006 nil) employed by the company within the period

### 2 Investments

	Subsidiary undertakings
	£
Cost and net book amount	
At 27 January 2007 and 28 January 2006	1,314,329

	Country of registration/ incorporation	Class of holding	Proportion held	Nature of business
<b>Direct shareholdings</b>				
Morgam Holdings Limited	England and Wales	Ordinary Preference	100% 100%	Management services and property investment
<b>Indirect</b>				
Morgam News Limited	England and Wales	Ordinary	100%	Retail newsagents and convenience stores

The directors believe that the book value of the investments is more than the value of the underlying net assets

### 3 Creditors - amounts falling due within one year

	2007	2006
	£	£
Amounts owed to group undertakings	31,017	31,017

The amount owed to group undertakings is not charged interest, is not secured and no repayment dates are specified

# Careneed News Limited

## 4 Called up equity share capital

	2007	2006
	£	£
<b>Authorised</b>		
Ordinary shares of 0.1 pence each (40,600 shares)	406	406
'A' ordinary shares of 0.1 pence each (5,000 shares)	50	50
Non cumulative preference shares of 0.1 pence each	66	66
	<b>522</b>	<b>522</b>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of 0.1 pence each	406	406
'A' ordinary shares of 0.1 pence each	35	35
Non cumulative preference shares of 0.1 pence each	66	66
	<b>507</b>	<b>507</b>

### Non-cumulative preference shares

These shares have a right to receive a fixed non-cumulative dividend in preference to ordinary shares, payable in quarterly instalments. The preference dividend should be equal to the amount paid up or credited as paid up on the shares indexed by reference to the retail price index. On a winding up, the maximum payable is £6 per share in preference to ordinary shares. Shareholders are not entitled to attend or vote at general meetings unless it affects class rights, dividends are in arrears or as the business of the meeting includes a resolution for winding up the company.

The company has received confirmation from the preference shareholder that they have waived their right to preference dividends to the extent not already paid.

These non-cumulative preference shares are non-redeemable and their dividend is discretionary therefore under UK GAAP these are correctly classified as equity shares.

### 'A' ordinary shares

Dividends on 'A' ordinary shares are paid after preference dividends but before ordinary dividends. The shares are not entitled to an automatic dividend but dividends may be paid at the directors' discretion. The 'A' ordinary shares are non-voting and not entitled to any excess on a winding up.

### Ordinary shares

Dividends on ordinary shares are paid after preference dividends and must not exceed the amount paid up or credited as paid up on the shares indexed by reference to the retail price index. On a winding up, shareholders will receive capital and any surplus of assets after preference shareholders and 'A' ordinary shareholders have been paid.

# Careneed News Limited

## 5 Reserves

	Profit and loss account £
At 29 January 2006	1,282,805
Retained profit for the period	-
At 27 January 2007	1,282,805

## 6 Reconciliation of movements in equity shareholders' funds

	2007 £	2006 £
Opening equity shareholders' funds	1,283,312	1,283,312
Closing equity shareholders' funds	1,283,312	1,283,312

## 7 Related party transactions

The company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Mills (West Midlands) group. There are no other related party transactions requiring disclosure.

## 8 Ultimate parent undertaking and controlling related party

The company's immediate and ultimate parent undertaking is Mills (West Midlands) Limited, which is the parent of the smallest and largest group to consolidate these financial statements. Copies of the group accounts are available from the Registered Office, 7 – 11 Earsdon Road, Whitley Bay, Tyne and Wear.

The company's ultimate controlling party is N J Mills.