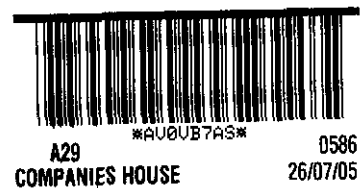


Registered number: 4481125

**NURTON HOLDINGS LIMITED**

**ANNUAL REPORT AND ACCOUNTS FOR THE 52 WEEKS ENDED**

**1<sup>st</sup> JANUARY 2005**



**NURTON HOLDINGS LIMITED**

**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY, 2005**

<b>CONTENTS</b>	<b>PAGES</b>
Directors' Report	3 - 4
Auditors' Report	5
Profit and Loss Account	6
Balance Sheet	7
Accounting Policies	8 - 9
Notes to the Accounts	9 - 12

## **NURTON HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

The Directors present their report and the accounts for the year (52 weeks) ended 1<sup>st</sup> January, 2005.

### **ACTIVITIES AND BUSINESS REVIEW**

The company trades as an investment holding company. The results for the year are satisfactory as are future prospects.

### **RESULTS AND DIVIDENDS**

The loss for the year amounted to £3,640,837. The directors do not recommend a dividend and the loss for the year has been transferred to reserves.

### **CHANGES IN FIXED ASSETS**

There were no changes in fixed assets during the year.

### **SHARE CAPITAL**

On the 8<sup>th</sup> December, 2004 the authorised share capital of the company was increased from £10,000 to £1,000,000 by the creation of 990,000 shares of £1 each.

On the same date the company issued 999,999 Ordinary £1 shares for a consideration of £19,999,999.

### **BOARD OF DIRECTORS**

The members of the Board who held office during the year were:

M. G. D. Graham  
E. A. Graham  
G. W. Evers  
P. S. Meier

### **DIRECTORS' INTERESTS**

The Directors at 1<sup>st</sup> January, 2005 are also Directors of the parent company, Claverley Company, and their interests in the share capital of group companies are shown in the Directors' Report of that company.

## **NURTON HOLDINGS LIMITED**

### **DIRECTORS' REPORT (Contd.)**

#### **STATEMENT OF 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 those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards; and
- prepare the accounts on the going concern basis, when it is appropriate 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 accounts 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.

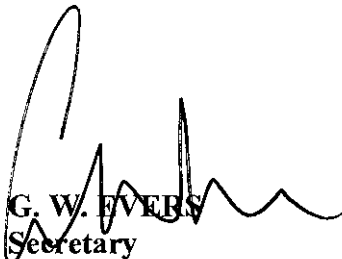
#### **AUDITORS**

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

#### **POST BALANCE SHEET EVENT**

On 2<sup>nd</sup> January 2005 the shareholding in the company held by its parent company, Claverley Company, was transferred to Claverley Group Limited, a wholly owned subsidiary of Claverley Company.

#### **BY ORDER OF THE BOARD**



G. W. EVERS  
Secretary

Registered Office:  
Queen Street,  
Wolverhampton.

8<sup>th</sup> April, 2005

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NURTON HOLDINGS LIMITED**

We have audited the accounts for the year ended 1<sup>st</sup> January, 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 15. These accounts have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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 directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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.

### **Basis of audit 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 group'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 as at 1<sup>st</sup> January, 2005 and of the loss of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP.*

Ernst & Young LLP  
Registered Auditor  
Birmingham

8<sup>th</sup> April, 2005

**NURTON HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 1<sup>ST</sup> JANUARY, 2005**

	Notes	52 weeks ended 1.1.05 £	78 weeks ended 3.1.04 £
Net operating expenses	1	(17,559)	(4,000)
Bank interest receivable		316,389	-
Interest payable and similar charges	2	(5,500,026)	(363,775)
<b>Loss on ordinary activities before taxation</b>		<b>(5,201,196)</b>	<b>(367,775)</b>
Taxation credit	5	1,560,359	110,333
<b>Loss on ordinary activities after taxation and retained for the year</b>	9	<b>(3,640,837)</b>	<b>(257,442)</b>

All activities of the company are continuing.

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

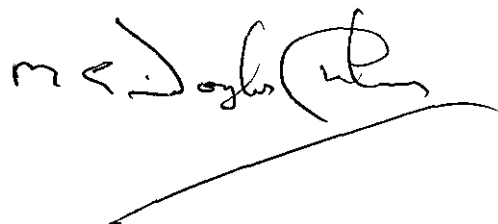
There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents.

**NURTON HOLDINGS LIMITED**

**BALANCE SHEET AT 1<sup>st</sup> JANUARY 2005**

	Notes	2004 £	2003 £
<b>Fixed Assets</b>			
Investments	6	79,966,534	79,966,534
		<hr/>	<hr/>
<b>Debtors:</b> amounts falling due within one year	7	1,465,711	110,333
Cash at bank and in hand		52,410	2,779,437
		<hr/>	<hr/>
		1,518,121	2,889,770
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due within one year	8	(382,934)	(18,113,745)
		<hr/>	<hr/>
Net current assets/(liabilities)		1,135,187	(15,223,975)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		81,101,721	64,742,559
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due after one year	9	(65,000,000)	(65,000,000)
		<hr/>	<hr/>
Net assets/(liabilities)		16,101,721	(257,441)
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Called up share capital	10	1,000,000	1
Share premium account		19,000,000	-
Profit and loss account	11	(3,898,279)	(257,442)
		<hr/>	<hr/>
	12	16,101,721	(257,441)
		<hr/>	<hr/>

The accounts on pages 5 to 12 were approved by the Board of Directors on the 4<sup>th</sup> April 2005 and the following was authorised to sign the accounts on behalf of the Board:



**M. G. DOUGLAS GRAHAM**  
Chairman

## **NURTON HOLDINGS LIMITED**

### **ACCOUNTING POLICIES**

#### **a) Fundamental accounting concept**

The company is party to group banking facilities. These facilities are made available to the company, if and when required, to enable the company to continue operating and to meet its liabilities as they fall due. The accounts have been prepared on the going-concern basis as the directors have obtained an undertaking from the ultimate parent company, Claverley Company, that sufficient finance will be available to meet any obligations as they fall due. The Directors believe that it is therefore appropriate to prepare the accounts on a going concern basis.

#### **b) Basis of accounting and consolidation**

The company prepares its accounts on the historical cost basis of accounting, in accordance with applicable accounting standards in the United Kingdom. They incorporate the results of the company for the year (52 weeks) ended 1<sup>st</sup> January, 2005 (2003 – 78 weeks to 3<sup>rd</sup> January 2004).

Group accounts have not been prepared because the company is a wholly owned subsidiary undertaking of Claverley Company, a company established under the law of a member state of the European Union, which has filed consolidated accounts. These accounts present information about the company as an individual undertaking and not as a group.

#### **c) Investments**

Investments are held at cost. Provision is made for impairment of these investments where required.

#### **d) Deferred Tax**

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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold.



## **NURTON HOLDINGS LIMITED**

### **NOTES TO THE ACCOUNTS**

#### **ACCOUNTING POLICIES (Contd.)**

##### **Deferred Tax (contd.)**

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.	NET OPERATING EXPENSES	52 weeks ended 1.1.05 £	78 weeks ended 3.1.04 £
	Auditors' Remuneration		
	- audit services	2,750	2,500
	- non-audit services	1,550	1,500
	Other operating charges	13,259	-
		<u>17,559</u>	<u>4,000</u>
		2004 £	2003 £
2.	INTEREST PAYABLE AND SIMILAR CHARGES		
	Interest payable to fellow subsidiary undertakings	5,182,862	363,775
	Bank loan guarantee fee payable to fellow subsidiary undertakings	317,164	-
		<u>5,500,026</u>	<u>363,775</u>

##### 3. **EMPLOYEES**

There were no employees of the company during the year.

##### 4. **DIRECTORS' REMUNERATION**

No payments were made to Directors during the year for their services to the company.

# NURTON HOLDINGS LIMITED

## NOTES TO THE ACCOUNTS

### ACCOUNTING POLICIES (Contd.)

5. TAXATION	52 weeks ended 1.1.05 £	78 weeks ended 3.1.04 £
UK Current Tax		
Group relief recoverable	1,560,359	110,333

#### **Factors affecting the tax charge for the year**

The tax credit is equal to the standard rate of corporation tax in the UK of 30% (2003 – 30%)

Loss on ordinary activities before tax	5,201,196	367,775
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003 – 30%)	1,560,359	110,333

#### 6. INVESTMENTS

On 8<sup>th</sup> December 2003 the Company acquired the share capital of The Guiton Group Limited for a total consideration of £79,966,534, a company registered in Jersey.

The Guiton Group Limited is the holding company for newspaper publication, retail and IT businesses operating primarily in the Channel Islands.

	2004 £	2003 £
7. DEBTORS: amounts falling due within one year		
Group relief receivable	1,115,264	110,333
Amounts due from fellow subsidiary undertakings	349,007	-
Other tax and social security costs	1,440	-
	1,465,711	110,333
8. CREDITORS: amounts falling due within one year		
Amounts due to parent undertaking	329,362	290,661
Amounts due to fellow subsidiary companies	35,240	363,775
Accruals and deferred income	18,332	38,480
Other creditors	-	17,420,829
	382,934	18,113,745

## NURTON HOLDINGS LIMITED

### NOTES TO THE ACCOUNTS

9. **CREDITORS:** amounts falling due after one year

The amount £65,000,000 (2003 £65,000,000) due to a fellow subsidiary is an interest bearing loan which is due to be re-paid on 27<sup>th</sup> October, 2008. Interest is charged at an annual rate of 7.88%.

10. **SHARE CAPITAL**

The company issued one ordinary £1 share at par for cash on incorporation.

On the 8<sup>th</sup> December, 2004 the authorised share capital of the company was increased from £10,000 to £1,000,000 by the creation of 990,000 shares of £1 each.

On the same date the company issued 999,999 ordinary £1 shares for a consideration of £19,999,999.

	2004 £	2003 £
Authorised		
Ordinary shares of £1 each	1,000,000	10,000
	<hr/>	<hr/>
Allotted called up and fully paid	1,000,000	1
	<hr/>	<hr/>

11. **PROFIT AND LOSS ACCOUNT**

	2004 £	2003 £
Retained loss at 3 <sup>rd</sup> January 2004	(257,442)	-
Retained loss for the year	(3,640,837)	(257,442)
	<hr/>	<hr/>
Retained loss at 1 <sup>st</sup> January 2005	(3,898,279)	(257,442)
	<hr/>	<hr/>

12. **RECONCILIATION OF SHAREHOLDERS' FUNDS**

	Share Capital £	Share Premium Account £	Profit & Loss Account £	Total Shareholders' Funds £
Shareholders' Deficit At 3 <sup>rd</sup> January 2004	1	-	(257,442)	(257,441)
Ordinary Shares issued during the year	999,999	19,000,000	-	19,999,999
Retained loss for the year	-	-	(3,640,837)	(3,640,837)
	<hr/>	<hr/>	<hr/>	<hr/>
Shareholders' funds at 1 <sup>st</sup> January 2005	1,000,000	19,000,000	(3,898,279)	16,101,721
	<hr/>	<hr/>	<hr/>	<hr/>

## **NURTON HOLDINGS LIMITED**

### **NOTES TO THE ACCOUNTS**

#### **13. CONTINGENT LIABILITY**

The company is party to group banking arrangements under which subsidiaries of Claverley Company cross guarantee their overdraft facilities of £55m.

#### **14. 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.

#### **15. PARENT COMPANY**

The company is a wholly owned subsidiary of Claverley Company, a company registered in England and Wales. It has included the company in its group accounts.

On 2<sup>nd</sup> January 2005 the shareholding in the company held by its parent company, Claverley Company, was transferred to Claverley Group Limited, a wholly owned subsidiary of Claverley Company.