

SCOTTISH NEWS NETWORK LIMITED

(formerly Dunwilco (570) Limited)

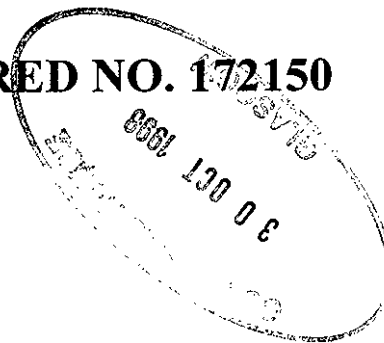
REPORT & FINANCIAL STATEMENTS

FOR

THE PERIOD ENDED

31 DECEMBER 1997

REGISTERED NO. 172150



SCOTTISH NEWS NETWORK LIMITED

Directors

Andrew Flanagan
Gary Hughes

Secretary

Dawn Davidson

Registered Office

Cowcaddens
Glasgow
G2 3PR

SCOTTISH NEWS NETWORK LIMITED

Directors' Report

The directors submit the report and the accounts for the period from 7 February 1997 to 31 December 1997, hereinafter referred to as the period to 31 December 1997.

BUSINESS REVIEW

The company did not trade during the period.

The company changed its name from Dunwilco (570) Limited on 30 April 1997.

DIRECTORS

The undemoted served as directors of the company during the period:

A Flanagan	(appointed 9 July 1997)
G Hughes	(appointed 9 July 1997)
M Coutts	(appointed 7 February 1997, resigned 9 July 1997)
M Polson	(appointed 7 February 1997, resigned 9 July 1997)
A Macdonald	(appointed 9 July 1998, resigned 3 August 1998)

DIRECTORS' INTERESTS

No director had an interest in the share capital of the company during the period.

Where directors have an interest in the shares of the ultimate parent company, Scottish Media Group plc, these have been shown in the accounts of that company.

AUDITORS

The company has exemption under Section 252 of the Companies Act 1985 not to appoint auditors.

By order of the Board



Dawn Davidson
Company Secretary

22 October 1998

SCOTTISH NEWS NETWORK LIMITED

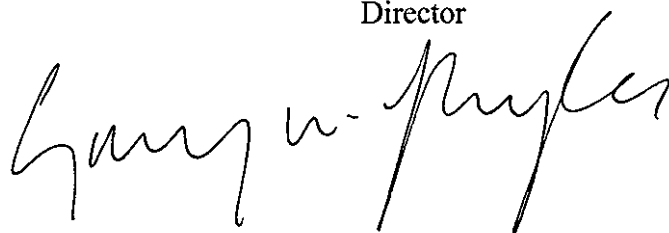
Balance sheet at 31 December 1997

	Notes	31 December 1997 £
CURRENT ASSETS		
Debtors	3	<u>1</u>
SHARE CAPITAL	4	<u>1</u>

The Company was dormant (within the meaning of Section 250 (4)(c) of the Companies Act 1985) throughout the period ended 31 December 1997.

The accounts on pages 3 and 4 were approved by the Board on 22 October 1998 and signed on their behalf by

Director



Notes to the accounts for the period ended 31 December 1997

1. PRINCIPAL ACCOUNTING POLICIES

Accounting convention and basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the period.

3. DEBTORS

**31 December
1997
£**

Amounts owed by group undertakings 1

Included in amounts owed by group undertakings is an amount of £1 which is due after more than one period.

4. SHARE CAPITAL

**31 December
1997
£**

Authorised

1000 ordinary shares of £1 each 1,000

Authorised, issued and fully paid

1 ordinary shares of £1 each 1

5. ULTIMATE HOLDING COMPANY

The ultimate holding company is Scottish Media Group plc, a company incorporated in Scotland.

Copies of the holding company's consolidated financial statements may be obtained from The Company Secretary, Scottish Media Group plc, Cowcaddens, Glasgow, G2 3PR.