

**THE WESTERN GAZETTE COMPANY  
LIMITED**

**Report and Financial Statements**

**2 October 2005**



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COMPANIES HOUSE 02/06/2006

REPORT AND FINANCIAL STATEMENTS 2005

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

J Dean  
A R J Calvert  
M J Heal  
C L O'Donnell

**SECRETARY**

P S Collins

**REGISTERED OFFICE**

31-32 John Street  
London  
WC1N 2QB

**SOLICITORS**

Foot Anstey Alms & Young  
21 Derry's Cross  
Plymouth  
Devon  
PL1 2SW

**BANKERS**

The Royal Bank of Scotland plc  
PO Box 34  
15 Bishopsgate  
London  
EC2P 2AP

**AUDITORS**

Deloitte & Touche LLP  
London

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 2 October 2005.

## **PRINCIPAL ACTIVITY**

The principal activity of the company is the publishing of newspapers and has remained unchanged since last year.

## **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

## **RESULTS AND DIVIDENDS**

The profit of the company after taxation for the financial year amounted to £1,161,000 (2004: £1,386,000). The directors have declared a dividend of £25.00 per share for the year (2004: £22.50 per share), leaving £161,000 (2004: £486,000) to be transferred to reserves.

## **DIRECTORS**

The names of the current directors of the company, all of whom who held office throughout the year, are set out on page 1.

## **DIRECTORS' INTERESTS**

A R J Calvert's interests in the shares of Daily Mail and General Trust plc are disclosed in the financial statements of Western Newspapers Limited.

No other director of the company at 2 October 2005 had any interests in the shares of any group companies at any time during the year.

No director of the company has or had a disclosable interest in any contract of significance at any time during the year.

## **EMPLOYEES**

It is the responsibility of the management to encourage the involvement and participation of the employees in the company.

Management makes every effort to ensure regular contact and exchange of information with staff. It is the company's policy to give full and fair consideration to suitable applications from disabled persons for employment. Where employees become disabled in the course of their employment, they will continue to be employed, wherever practicable, in the same job or, if this is not practicable, every effort will be made to find suitable alternative employment and to provide appropriate training.

## **POLICY AND PRACTICE ON THE PAYMENT OF CREDITORS**

The company's policy on supplier payments is to agree to terms of payment at the time of placing an order for goods or services. Unless different terms have been negotiated at the outset, the normal payment terms of the supplier will be accepted. The company makes every effort to abide by the terms agreed with each supplier.

Trade creditors for the company as at 2 October 2005 were equivalent to 15 days (2004: 18 days) purchases, based on the average daily amount invoiced by suppliers during the year .

**DIRECTORS' REPORT (continued)**

**DONATIONS**

Charitable donations made by the company in the year amounted to £1,747 (2004: £1,945). There were no political donations made by the company in the year (2004: £nil).

**AUDITORS**

A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



P S Collins  
Secretary

Date 16<sup>th</sup> December 2005

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE WESTERN GAZETTE COMPANY LIMITED**

We have audited the financial statements of The Western Gazette Company Limited for the year ended 2 October 2005 which comprise the profit and loss account, the balance sheet, the note of historical cost profits and losses, the reconciliation of movement in equity shareholders' funds and the related notes 1 to 19. These financial statements have been prepared under 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 financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 2 October 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche LLP*

**DELOITTE & TOUCHE LLP**  
Chartered Accountants and Registered Auditors  
London, United Kingdom

Date 21/12/05

**PROFIT AND LOSS ACCOUNT**  
Year ended 2 October 2005

	Note	2005 £'000	2004 £'000
<b>TURNOVER</b>	2	<u>6,644</u>	<u>6,626</u>
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	1,671	2,003
Tax on profit on ordinary activities	6	<u>(510)</u>	<u>(617)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		1,161	1,386
Dividends	7	<u>(1,000)</u>	<u>(900)</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	14	<u>161</u>	<u>486</u>

All activities relate to continuing operations.

There have been no recognised gains and losses for the current financial year or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of total recognised gains and losses is presented.



**THE WESTERN GAZETTE COMPANY LIMITED**

**BALANCE SHEET**  
At 2 October 2005

	Note	2005		2004	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		425		413
<b>CURRENT ASSETS</b>					
Debtors					
- amounts falling due within one year	9	18,811		12,195	
- amounts falling due after more than one year	10	395		1	
Cash at bank and in hand		30		-	
		<u>19,236</u>		<u>12,196</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	11	<u>(17,285)</u>		<u>(10,486)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,951</u>		<u>1,710</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,376</u>		<u>2,123</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
	12		<u>(92)</u>		<u>-</u>
<b>NET ASSETS</b>			<u><u>2,284</u></u>		<u><u>2,123</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		200		200
Other reserves	14		47		47
Revaluation reserve	14		25		63
Profit and loss account	14		2,012		1,813
<b>EQUITY SHAREHOLDERS' FUNDS</b>			<u><u>2,284</u></u>		<u><u>2,123</u></u>

These financial statements were approved by the Board of Directors on 16 December 2005

Signed on behalf of the Board of Directors



A R J Calvert  
Director

THE WESTERN GAZETTE COMPANY LIMITED

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**  
**Year ended 2 October 2005**

	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before taxation	1,671	2,003
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on revalued amounts	5	5
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation and dividends	1,676	2,008
	<hr/>	<hr/>
Historical cost profit for the year retained after taxation and dividends	166	491
	<hr/>	<hr/>

**RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS**  
**Year ended 2 October 2005**

	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities after taxation	1,161	1,386
Dividends	(1,000)	(900)
	<hr/>	<hr/>
Increase in equity shareholders' funds	161	486
Opening equity shareholders' funds	2,123	1,637
	<hr/>	<hr/>
Closing equity shareholders' funds	2,284	2,123
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 2 October 2005**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the accounting policies, which have been applied consistently throughout the financial year, current and prior are set out below.

**Basis of accounting**

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain tangible fixed assets.

**Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation, adjusted for revaluation of certain properties.

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

The company has not adopted a policy of revaluation but in line with FRS 15 'Tangible fixed assets' is carrying certain tangible fixed assets at amounts reflecting revaluations made prior to the implementation of the standard.

**Depreciation**

Depreciation is calculated to amortise the cost of tangible assets by equal annual instalments over their estimated useful lives as follows:

Freehold buildings (excluding land)	10 to 50 years
Fixtures, plant, equipment and motor vehicles	4 to 12 years

Freehold land is not depreciated.

Depreciation on freehold buildings and leasehold properties is based on cost or valuation where properties have been revalued.

**Leases**

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

**Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 October 2005

1. ACCOUNTING POLICIES (continued)

**Pension costs**

The company has taken advantage of the transitional arrangements of FRS 17, 'Retirement Benefits', which permit the costs, accruals and prepayments recorded in the financial statements to be reported under the requirements of SSAP 24, 'Accounting for Pension Costs'. This is consistent with the basis adopted last year.

Thus, the cost of providing pensions is calculated using actuarial valuation methods, which reflect the long-term costs of providing pensions.

The amount charged to the profit and loss account is calculated so as to produce a substantially level percentage of the current and future pensionable payroll. Variations from the regular cost so calculated are allocated to the profit and loss account over the average remaining service lives of employees.

The additional disclosures required by FRS 17 are explained in note 17.

**Cash flow statement**

The company is a wholly owned subsidiary of Daily Mail and General Trust plc and the cash flows of the company are included in the consolidated cash flows of Daily Mail and General Trust plc.

Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 from publishing a cash flow statement.

2. TURNOVER

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied and is stated after the deduction of trade discounts.

Turnover consists entirely of sales made in the United Kingdom.

3. OPERATING PROFIT

	2005		2004	
	£'000	£'000	£'000	£'000
Turnover		6,644		6,626
Other operating charges	(2,885)		(2,601)	
Auditors' remuneration - audit fees	(7)		(7)	
Amounts paid under operating leases:				
- plant and machinery	(14)		-	
Loss on disposal of tangible fixed assets	-		(2)	
Total other operating charges	(2,906)		(2,610)	
Staff costs	(1,942)		(1,860)	
Depreciation - owned assets	(125)		(153)	
		(4,973)		(4,623)
Operating profit		1,671		2,003

NOTES TO THE FINANCIAL STATEMENTS

Year ended 2 October 2005

4. EMPLOYEES

	2005	2004
The average number of persons employed by the company by activity:	No.	No.
Publishing	102	98
	<u>102</u>	<u>98</u>
Total staff costs comprised:	£'000	£'000
Wages and salaries	1,626	1,576
Social security costs	121	119
Pension costs	195	165
	<u>1,942</u>	<u>1,860</u>

Staff costs include directors, except as disclosed in note 5.

5. DIRECTORS' EMOLUMENTS

	2005	2004
The emoluments of the directors of the company were as follows:	£'000	£'000
Aggregate emoluments (including benefits)	159	183
	<u>159</u>	<u>183</u>

Included within the aggregate emoluments figure above are £nil (2004: £33,000) of performance related bonuses payable to certain directors by Northcliffe Newspapers Group Limited, the parent company.

Of the directors at 2 October 2005 who received emoluments during the year, retirement benefits are accruing to three directors under a defined benefit scheme (2004: three directors).

The emoluments of A R J Calvert are paid by Wessex Newspapers and are excluded from the details above. It is not practicable to split his remuneration between the services provided to The Western Gazette Company Limited and fellow group companies. His remuneration is fully disclosed in the financial statements of Wessex Newspapers.

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 2 October 2005

6. TAX ON PROFIT ON ORDINARY ACTIVITIES	2005 £'000	2004 £'000
<b>Corporation tax</b>		
Corporation tax charge for the year	382	615
Under-provision from previous year	-	4
	<u>382</u>	<u>619</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	128	(2)
	<u>510</u>	<u>617</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax, is 30% (2004: 30%). The current tax charge for the year is less than 30% (2004: greater than 30%) for the reasons set out in the following reconciliation:

	£'000	£'000
Profit on ordinary activities before tax	<u>1,671</u>	<u>2,003</u>
Tax on profit on ordinary activities at standard rate	501	601
Factors affecting the charge:		
Disallowable expenses	7	12
Capital allowances timing differences	(8)	2
Other short-term timing differences	(118)	-
Under-provision from previous year	-	4
	<u>382</u>	<u>619</u>

The company is not aware of any factors, other than the above timing differences, that may materially affect the future tax charge.

7. DIVIDENDS	2005 £'000	2004 £'000
<b>Dividends on equity shares</b>		
Ordinary paid of £25.00 (2004: £22.50) per share	<u>1,000</u>	<u>900</u>

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 2 October 2005

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Fixtures, plant, equipment and motor vehicles £'000	Total £'000
<b>Cost or valuation</b>			
At 4 October 2004	368	689	1,057
Additions	-	137	137
At 2 October 2005	<u>368</u>	<u>826</u>	<u>1,194</u>
<b>Accumulated depreciation</b>			
At 4 October 2004	191	453	644
Charge for the year	26	99	125
At 2 October 2005	<u>217</u>	<u>552</u>	<u>769</u>
<b>Net book value</b>			
At 2 October 2005	<u>151</u>	<u>274</u>	<u>425</u>
At 3 October 2004	<u>177</u>	<u>236</u>	<u>413</u>

Cost or valuation at 2 October 2005 is represented by:

	£'000	£'000	£'000
Cost	53	826	879
Valuation	315	-	315
	<u>368</u>	<u>826</u>	<u>1,194</u>

Land and buildings at Sherborne Road, Yeovil, were revalued at March 1998 by the directors at open market value for existing use. The company has taken advantage of the transitional provisions of FRS 15 and retained the book amounts of certain freehold properties which were revalued prior to the implementation of the standard.

If the freehold land and buildings had not been revalued, they would have been included in the following amounts:

	2005 £'000	2004 £'000
Historical cost	305	305
Depreciation based on cost	(179)	(158)
Net book value	<u>126</u>	<u>147</u>

Historical cost figures for 2004 have been restated following a review of the revaluation reserves. The change has had no impact on the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 2 October 2005**

<b>9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	1,188	1,513
Amounts owed by group undertakings	17,495	10,488
Other debtors	-	2
Deferred tax asset (note 12)	-	36
Prepayments and accrued income	128	156
	<u>18,811</u>	<u>12,195</u>

During the year, the debtors' ledger was transferred to Bristol United Press Limited, a fellow subsidiary of Northcliffe Newspapers Group Limited.

<b>10. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Prepayments and accrued income	395	1
	<u>395</u>	<u>1</u>

<b>11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2005</b>	<b>2004</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	1	4
Amounts owed to group undertakings	15,677	9,341
Corporation tax	997	615
Other taxation and social security	340	409
Other creditors	-	1
Accruals and deferred income	270	116
	<u>17,285</u>	<u>10,486</u>

The purchase ledger is operated by Northcliffe Newspapers Group Limited, the parent company.



NOTES TO THE FINANCIAL STATEMENTS  
Year ended 2 October 2005

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	£'000
At 4 October 2004 (asset - see debtors' note 9)	(36)
Movement for the year (note 6)	128
	<hr/>
At 2 October 2005	92
	<hr/> <hr/>

Deferred taxation provided in the financial statements is analysed as follows:

	2005 £'000	2004 £'000
Accelerated capital allowances	(26)	(36)
Other timing differences	118	-
	<hr/>	<hr/>
	92	(36)
	<hr/> <hr/>	<hr/> <hr/>

13. CALLED UP SHARE CAPITAL

	2005 £'000	2004 £'000
Authorised, allotted, called up and fully paid 40,000 ordinary shares of £5 each	200	200
	<hr/> <hr/>	<hr/> <hr/>

14. RESERVES

	Profit and loss account £'000	Revaluation reserve £'000	Other reserves £'000
At 4 October 2004	1,813	63	47
Retained profit for the year	161	-	-
Transfer re depreciation	38	(38)	-
	<hr/>	<hr/>	<hr/>
At 2 October 2005	2,012	25	47
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 2 October 2005

15. FINANCIAL COMMITMENTS

The company had annual commitments under non-cancellable operating leases as follows:

	2005 Plant and equipment £'000	2004 Plant and equipment £'000
Expiring:		
- within one year	3	-
- between one and two years	8	-
	<u>11</u>	<u>-</u>

16. CONTINGENT LIABILITIES

Certain undertakings within the Northcliffe Newspapers Group are included in a group VAT registration. The contingent liability of The Western Gazette Company Limited under the group VAT registration at 2 October 2005 was £2,754,000 (2004: £6,180,000)

17. PENSION ARRANGEMENTS

The company operates pension schemes under which contributions are paid by the employer and employees.

**Harmsworth Pension Scheme**

The Harmsworth Pension Scheme is the principal scheme for the company.

The principal scheme is a defined benefit pension arrangement, providing service-related benefits based on final pensionable salary. The assets of the scheme are held independently from the Company's finances and are administered by trustee companies. Pension costs are assessed on the advice of an independent qualified actuary following triennial valuations using the projected unit method.

A valuation of the scheme was carried out as at 31 March 2004 and the assumptions having the most significant effect on the pension costs reported under SSA P24 'Accounting for Pension Costs' are shown in the following table:

Price inflation	2.75% p.a.
Salary increases	4.3% p.a.
Pension increases	2.75% p.a.
Investment return	7.0% p.a.
Dividend growth	3.75% p.a.

In calculating the pension cost recorded in the profit and loss, the surpluses or deficits identified from the valuation of the principal scheme are amortised over a period of 11 years using the straight line method.

**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 2 October 2005

**17. PENSION ARRANGEMENTS (continued)**

Following the triennial valuation of the principal scheme as at 31 March 2004, the company cash contribution rate was increased to 18% of pensionable salaries (2004: 15%). With effect from 1 April 2005, the group introduced a new benefits structure for the principal scheme to include a new "Standard" section and a "Pension +" section. In the "Standard" section, employees pay contributions of 5% of pensionable salaries but accrue future benefits at a lower rate than before. Under the "Pension +" section, employees currently pay contributions of 6% rising progressively to 7.5% by 1 July 2007 and retain existing benefit accrual rates (2004: all employees paid 5%). The scheme remains open to eligible new employees who, after one year's service, can join the "Standard" section with an option to join the "Pension +" section after a further four year's service.

The pension charge for the year ended 2 October 2005 was £195,000 (2004: £165,000).

A prepayment of £395,000 (2004: £1,000) is included under debtors, representing the excess of accumulated contributions paid over the equivalent pension charge. This prepayment represents advance contributions paid for the financial year ending 30 September 2006 of £nil (2004: £nil) and difference between the cash contribution rate and the pension charge of £395,000 (£1,000).

**FRS 17 'Retirement Benefits'**

As permitted by the transitional arrangements of FRS 17, the costs, accruals and prepayments recorded in the financial statements continue to be reported in accordance with the requirements of SSAP 24. The company is unable to identify its share of the underlying assets and liabilities in the principal defined benefit scheme since the scheme includes members from other companies within the Daily Mail and General Trust group. Under FRS 17, the scheme will therefore be accounted for as a defined contribution scheme by the company.

As included in the financial statements of Daily Mail and General Trust plc for the year ended 2 October 2005, the latest interim actuarial valuation at 2 October 2005 prepared in accordance with FRS 17 showed that the market value of the scheme's assets was £519.2 million and that the actuarial value of these assets represented 82.9% of the benefits that had accrued to members (also calculated in accordance with FRS 17). Full disclosures in relation to the principal schemes are given in the financial statements of the Daily Mail and General Trust plc. The impact of this funding position on the contribution rates for this company are disclosed earlier in the SSAP 24 section of this note.

The effect of UITF 6, *'Accounting for post-retirement benefits other than pensions'*, is not material.

**Stakeholder pensions**

The company provides access to a stakeholder pension plan for relevant employees who are not eligible for other pension schemes operated by the group.

**18. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under FRS 8 'Related Party Disclosures' not to disclose related party transactions between companies which are 90% owned by the ultimate parent company.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 2 October 2005**

**19. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The company is 100% owned by Western Newspapers Limited, a wholly owned subsidiary of Northcliffe Newspapers Group Limited.

The directors regard the ultimate parent company as Rothermere Continuation Limited, a company incorporated in Bermuda. The ultimate controlling party is The Viscount Rothermere, the Chairman of Daily Mail and General Trust plc.

The largest and smallest group of which the company is a member and for which group financial statements are drawn up is that of Daily Mail and General Trust plc, registered in England and Wales. Copies of the report and financial statements are available from:

The Company Secretary  
Daily Mail and General Trust plc  
Northcliffe House  
2 Derry Street  
Kensington  
London  
W8 5TT