

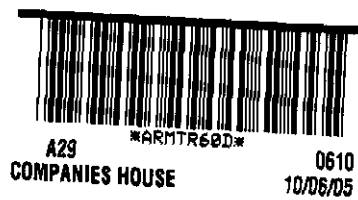
Company Registration Number 22796

**THE WESTERN GAZETTE COMPANY LIMITED**

**Report and Financial Statements**

**3 October 2004**

**Deloitte & Touche LLP**  
London



REPORT AND FINANCIAL STATEMENTS 2004

CONTENTS

	<b>Page</b>
Officers and professional advisers	1
<i>Directors' report</i>	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in equity shareholders' funds	8
Note of historical cost profit and losses	8
Notes to the financial statements	9

**THE WESTERN GAZETTE COMPANY LIMITED**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

J Dean (Managing Director)  
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 Sargent  
21 Derry's Cross  
Plymouth  
Devon  
PL1 2SW

**BANKERS**

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

**AUDITORS**

Deloitte & Touche LLP  
London

## THE WESTERN GAZETTE COMPANY LIMITED

### DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 3 October 2004.

### PRINCIPAL ACTIVITY

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

### REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

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 after taxation for the financial year of the company amounted to £1,386,000 (2003: £1,327,000). The directors have declared a dividend of £22.50 per share for the year (2003: £nil) leaving £486,000 (2003: £1,327,000) 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. In addition, P M Greer resigned on 31 October 2003, A R Goode resigned on 9 April 2004 and K R J Hayward resigned on 9 April 2004.

### DIRECTORS' INTERESTS

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

No other director of the company at 3 October 2004 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 discloseable interest in any contract of significance existing during or at the end of 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.

For the year ended 3 October 2004, the average payment period for trade creditors was 18 days (2003: 40 days).

**DIRECTORS' REPORT (continued)**

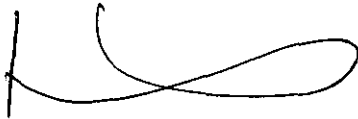
**DONATIONS**

Charitable donations made by the company in the year amounted to £1,945 (2003: £nil). There were no political donations made by the company in the year (2003: £nil)

**AUDITORS**

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

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

A handwritten signature in black ink, appearing to be 'P S Collins', written in a cursive style.

P S Collins  
Secretary

15<sup>th</sup> December 2004

**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 year. 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 to 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 3 October 2004, which comprise the profit and loss account, the balance sheet, note of historical cost profit and losses, reconciliation of movements in equity shareholders' funds and the related notes 1 to 17. 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 3 October 2004 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

*7 January 2005*

THE WESTERN GAZETTE COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT**  
Year ended 3 October 2004

	Note	2004 £'000	2003 £'000
<b>TURNOVER</b>	2	<u>6,626</u>	<u>5,972</u>
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	2,003	1,914
Taxation on profit on ordinary activities	6	<u>(617)</u>	<u>(587)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		1,386	1,327
Dividends	7	<u>(900)</u>	<u>-</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	13	<u>486</u>	<u>1,327</u>

All activities relate to continuing operations.

The company has no recognised gains and losses other than the profit above, and therefore no separate statement of total recognised gains and losses has been presented.



THE WESTERN GAZETTE COMPANY LIMITED

**BALANCE SHEET**  
At 3 October 2004

	Note	2004		2003	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		413		481
<b>CURRENT ASSETS</b>					
Debtors	9	12,196		2,253	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	10	(10,486)		(1,097)	
<b>NET CURRENT ASSETS</b>			1,710		1,156
<b>NET ASSETS</b>			2,123		1,637
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		200		200
Other reserves	13		47		47
Revaluation reserve	13		63		63
Profit and loss account	13		1,813		1,327
<b>EQUITY SHAREHOLDERS' FUNDS</b>			2,123		1,637

These financial statements were approved by the Board of Directors on 15<sup>th</sup> December 2004

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 3 October 2004**

	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
Profit on ordinary activities before taxation	2,003	1,914
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on revalued amounts	22	30
	<u>2,025</u>	<u>1,944</u>
Historical cost profit on ordinary activities before taxation and dividends	<u>2,025</u>	<u>1,944</u>
Historical cost profit for the year retained after taxation and dividends	<u>508</u>	<u>1,357</u>

**RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**  
**Year ended 3 October 2004**

	<b>2004</b> <b>£'000</b>	<b>2003</b> <b>£'000</b>
Profit on ordinary activities after taxation	1,386	1,327
Dividends	(900)	-
	<u>486</u>	<u>1,327</u>
Increase in equity shareholders' funds	<u>486</u>	<u>1,327</u>
Opening equity shareholders' funds	1,637	310
	<u>2,123</u>	<u>1,637</u>
Closing equity shareholders' funds	<u>2,123</u>	<u>1,637</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 3 October 2004**

**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 year, is 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.

**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.

**Deferred taxation**

Deferred tax 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 years different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. 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 3 October 2004**

**1. ACCOUNTING POLICIES (continued)**

**Pension costs**

The company has taken advantage of the transitional arrangements of FRS17, Retirement Benefits, which permit the costs, accruals and prepayments recorded in the accounts 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 FRS17 are explained in note 14.*

**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**

	2004	2003
	£'000	£'000
Turnover	6,626	5,972
Other operating charges	(2,601)	(2,241)
Auditors' remuneration - audit fees	(7)	(9)
Property rental and other operating lease charges	-	(13)
Loss on disposal of tangible fixed assets	(2)	(4)
Total other operating charges	(2,610)	(2,267)
Staff costs	(1,860)	(1,635)
Depreciation - owned assets	(153)	(156)
	(4,623)	(4,058)
Operating profit	2,003	1,914

**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 3 October 2004**

**4. EMPLOYEES**

	<b>2004</b>	<b>2003</b>
The average number of persons employed by the company by activity:	<b>No.</b>	<b>No.</b>
Publishing	98	92
	<u>          </u>	<u>          </u>
Total staff costs comprised:	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,576	1,426
Social security costs	119	92
Pension costs	165	117
	<u>          </u>	<u>          </u>
	<u>1,860</u>	<u>1,635</u>

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

**5. DIRECTORS' EMOLUMENTS**

	<b>2004</b>	<b>2003</b>
The emoluments of the directors of the company were as follows:	<b>£'000</b>	<b>£'000</b>
Aggregate emoluments (including benefits)	183	164
	<u>          </u>	<u>          </u>

Included within the aggregate emoluments figure above are £33,000 (2003: £21,500) of performance related bonuses payable to certain directors by Northcliffe Newspapers Group Limited, the parent company.

Of the directors at 3 October 2004 who received emoluments during the year, retirement benefits are accruing to three directors under a defined benefit scheme (2003: three directors).

The emoluments of A R Goode (up to date of resignation) were paid by Bristol United Press Limited and are excluded from the details above. It is not practicable to split his remuneration between the services provided to Bristol United Press Limited and fellow subsidiary companies. His remuneration is fully disclosed in the accounts of Bristol United Press Limited.

The emoluments of K R J Hayward (up to date of resignation) were paid by Central Independent Newspapers Limited 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 Central Independent Newspapers Limited. His remuneration is fully disclosed in the accounts of Central Independent Newspapers Limited.

The emoluments of A R J Calvert are paid by Wessex Newspapers from 1 March 2004 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 from 1 March 2004 is fully disclosed in the accounts of Wessex Newspapers. Prior to 1 March 2004 his remuneration was paid by Northcliffe Newspapers Group Limited as an employee.

P M Greer did not receive any emoluments for her services as a director of The Western Gazette Company Limited.

THE WESTERN GAZETTE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 3 October 2004

6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES	2004 £'000	2003 £'000
<b>Corporation tax</b>		
Total current tax charge	615	582
Under provision from previous year	4	5
	<u>619</u>	<u>587</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	(2)	-
	<u>617</u>	<u>587</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2003: 30%). The current tax charge for the year exceeds 30% (2003: exceeds 30%) for the reasons set out in the following reconciliation:

	£'000	£'000
Profit on ordinary activities before taxation	<u>2,003</u>	<u>1,914</u>
	<b>£'000</b>	<b>£'000</b>
Taxation on profit on ordinary activities at standard rate	601	574
Factors affecting the charge:		
Disallowable expenses	12	12
Capital allowances timing differences	2	2
Other short term timing differences	-	(6)
Under provision from previous year	4	5
	<u>619</u>	<u>587</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	2004 £'000	2003 £'000
<b>Dividends on equity shares</b>		
Ordinary paid of £22.50 (2003: £nil) per share	<u>900</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 3 October 2004

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Fixtures, plant, equipment and motor vehicles £'000	Total £'000
<b>Cost or valuation</b>			
At 29 September 2003	368	811	1,179
Additions	-	87	87
Disposals	-	(209)	(209)
At 3 October 2004	<u>368</u>	<u>689</u>	<u>1,057</u>
<b>Accumulated depreciation</b>			
At 29 September 2003	159	539	698
Charge for the year	32	121	153
Disposals	-	(207)	(207)
At 3 October 2004	<u>191</u>	<u>453</u>	<u>644</u>
<b>Net book value</b>			
At 3 October 2004	<u>177</u>	<u>236</u>	<u>413</u>
At 28 September 2003	<u>209</u>	<u>272</u>	<u>481</u>
Cost or valuation at 3 October 2004 is represented by:			
	£'000	£'000	£'000
Cost	32	689	721
Valuation	336	-	336
	<u>368</u>	<u>689</u>	<u>1,057</u>

Land and buildings at Sherborne Road, Yeovil were revalued at March 1998 by the directors at open market value for existing use.

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

	2004 £'000	2003 £'000
Historical cost	486	486
Depreciation based on cost	(122)	(112)
Net book value	<u>364</u>	<u>374</u>

THE WESTERN GAZETTE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
Year ended 3 October 2004

9. DEBTORS	2004 £'000	2003 £'000
Trade debtors	1,513	1,485
Amounts owed by group undertakings	10,488	593
Other debtors	2	2
Deferred tax asset (note 11)	36	34
Prepayments and accrued income	157	139
	<u>12,196</u>	<u>2,253</u>

Prepayments and accrued income includes a pension prepayment of £1,000 (2003: £1,000) falling due after more than one year.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2004 £'000	2003 £'000
Trade creditors	4	-
Corporation tax	615	582
Other taxation and social security costs	409	387
Other creditors	1	14
Accruals and deferred income	116	114
Amounts owed to group undertakings	9,341	-
	<u>10,486</u>	<u>1,097</u>

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 3 October 2004**

**11. DEFERRED TAXATION ASSET**

	<b>£'000</b>
At 29 September 2003	34
Movement for the year (note 6)	2
	<hr/>
At 3 October 2004	<u>36</u>

The deferred taxation asset is disclosed within debtors

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

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
Accelerated capital allowances	<u>36</u>	<u>34</u>

No deferred tax has been provided on the gains arising from the revaluation of freehold property as such tax would only become payable if the property was sold without rollover relief being obtained. The tax which would be payable in such circumstances is estimated to be £19,000 (2003: £19,000). A deferred tax asset of £36,000 has been recognised at 3 October 2004 (2003: £34,000). This asset relates to accelerated capital allowances. The directors are of the opinion, based on recent and forecast trading, that the level of profits in the current and future years make it more likely than not that the asset will be recovered.

**12. CALLED UP SHARE CAPITAL**

	<b>2004</b>	<b>2003</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised, allotted, called up and fully paid</b>		
40,000 Ordinary shares of £5 each	<u>200</u>	<u>200</u>

**13. RESERVES**

	<b>Profit and loss account</b>	<b>Revaluation reserve</b>	<b>Other reserves</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 28 September 2003	1,327	63	47
Retained profit for the year	486	-	-
	<hr/>	<hr/>	<hr/>
At 3 October 2004	<u>1,813</u>	<u>63</u>	<u>47</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 3 October 2004**

**14. PENSION ARRANGEMENTS**

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

**BUP Pension Fund and the Harmsworth Pension Scheme**

With effect from 1 July 2004, the BUP Pension Fund was merged with the Harmsworth Pension Scheme, the pension arrangement offered to all employees at other Northcliffe Newspapers Group centres. The Harmsworth Pension Scheme is now the principal scheme for the company and is providing unchanged benefits for ex-members of the BUP Pension Fund.

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 schemes was carried out as at 31 March 2001 and the assumptions having the most significant effect on the pension costs reported under SSAP 24 'Accounting for Pension Costs' are shown in the following table:

Price Inflation	2.5% p.a.
Salary Increases	4.3% p.a.
Pension Increases	2.5% p.a.
Investment Return	6.75% p.a.
Dividend Growth	3.5% p.a.

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.

The results of the triennial valuation of the principle scheme as at 31 March 2004 have not yet been finalised. However, interim valuations carried out as at 31 March of each year have highlighted the impact on the scheme of changing market conditions and falling investment returns. As a result, the company agreed with the Trustees to increase cash contributions to the principle scheme from 12% to 15% of pensionable salaries from 1 October 2003. Additionally, pending completion of the 2004 actuarial valuation, it has been agreed to increase the pension cost charged in these accounts to 15% of pensionable salaries for the principle scheme, in line with the cash contribution rate.

The contribution charge for the year ended 3 October 2004 was £165,000 (2003: £117,000).

A prepayment of £1,000 (2003: £1,000) is included under debtors, representing the excess of accumulated contributions paid over the equivalent pension charge.

**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 defined benefit scheme since the scheme includes members from other companies within the Daily Mail and General Trust plc group. Under FRS 17 the scheme will therefore be accounted for as a defined contribution scheme by the company.

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 3 October 2004**

**14. PENSION ARRANGEMENTS (continued)**

As included in the financial statements of Daily Mail and General Trust plc for the year ended 3 October 2004, the latest interim actuarial valuation at 3 October 2004 prepared in accordance with FRS 17 showed that the market value of the principal scheme's assets was £430.3 million and that the actuarial value of these assets represented 81% of the benefits that had accrued to members (also calculated in accordance with FRS 17). Full disclosures in relation to the scheme are given in the accounts 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.

**15. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under FRS8 Related Party Disclosures not to disclose related party transactions between companies which are 90% owned by the ultimate parent company

**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 3 October 2004 was £6,180,000. (2003: £5,943,000).

**17. 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 accounts are drawn up is that of Daily Mail and General Trust plc, registered in England and Wales. Copies of the report and accounts are available from:

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