

Company Registration No. 22796

**THE WESTERN GAZETTE COMPANY LIMITED**

**Report and Financial Statements**

**30 September 2001**



Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP

**THE WESTERN GAZETTE COMPANY LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2001**

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# THE WESTERN GAZETTE COMPANY LIMITED

## OFFICERS AND PROFESSIONAL ADVISERS

### DIRECTORS

A R Goode (Chairman)  
J Dean (Managing Director)  
K R J Hayward  
P M Greer  
M J Heal  
C L O'Donnell (appointed 24 November 2000)  
H S Wozniak

### SECRETARY

J A L Long

### REGISTERED OFFICE

Temple Way  
Bristol  
BS99 7HD

### SOLICITORS

Foot Anstey Sargent  
The Foot & Bowden Building  
21 Derry's Cross  
Plymouth  
Devon  
PL1 2SW

### BANKERS

National Westminster Bank plc  
PO Box 34  
15 Bishopsgate  
London  
EC2P 2AP

### AUDITORS

Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP

## **THE WESTERN GAZETTE COMPANY LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 30 September 2001.

### **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 £1,264,000 (2000: £1,653,000). The directors recommend that a final dividend of £31.60 per share be paid (2000: £41.33).

### **DIRECTORS**

The names of the current directors of the company, all of whom who held office throughout the year, except as noted, are set out on page 1. In addition, J M Ireland resigned on 27 April 2001.

### **DIRECTORS' INTERESTS**

No director had any interests in the shares of the group companies.

No director of the company has or had a disclosable 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 30 September 2001, the average payment period for trade creditors was 33 days (2000: 29.5 days).

**THE WESTERN GAZETTE COMPANY LIMITED**

**DIRECTORS' REPORT (continued)**

**AUDITORS**

Deloitte & Touche were appointed auditors on 1 August 2001. A resolution to reappoint Deloitte & Touche as auditors will be proposed at the forthcoming Annual General Meeting.

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

*A. Long*

J A L Long  
Secretary

6 December 2001

## **THE WESTERN GAZETTE COMPANY LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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 to 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.

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**Deloitte  
& Touche**

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

We have audited the financial statements of Western Gazette Company Limited for the year ended 30 September 2001, which comprise the profit and loss account, the balance sheet, reconciliation of movements in equity shareholders' funds and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

**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.

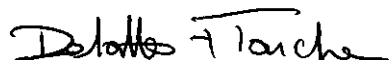
**Basis of audit opinion**

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 30 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE**  
Chartered Accountants and  
Registered Auditors

7 January 2002

**Deloitte  
Touche  
Tohmatsu**

Aberdeen, Belfast, Birmingham, Bracknell, Bristol, Cambridge, Cardiff, Crawley, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes, Newcastle upon Tyne, Nottingham, St Albans and Southampton.

Principal place of business at which a list of partners' names is available: Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.

Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

**THE WESTERN GAZETTE COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT**  
Year ended 30 September 2001

	Note	2001 £'000	2000 £'000
<b>TURNOVER</b>	2	5,686	8,481
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	1,757	2,377
Taxation on profit on ordinary activities	6	(493)	(724)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		1,264	1,653
Dividends paid and proposed	7	(1,264)	(1,653)
<b>RETAINED PROFIT FOR THE YEAR</b>	15	-	-

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.

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

The comparative figures represent the period from 28 March 1999 to 30 September 2000.



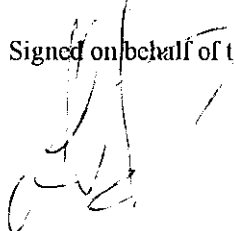
**THE WESTERN GAZETTE COMPANY LIMITED**

**BALANCE SHEET**  
At 30 September 2001

	Note	2001		2000	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		585		729
<b>CURRENT ASSETS</b>					
Stocks	9	9		12	
Debtors	10	3,091		2,110	
Cash at bank and in hand		1		665	
			3,101		2,787
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	11	(3,376)		(3,196)	
<b>NET CURRENT LIABILITIES</b>					
			(275)		(409)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			310		320
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
	13		-		(10)
<b>NET ASSETS</b>					
			310		310
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		200		200
Other reserves	15		47		47
Revaluation reserve	15		63		63
Profit and loss account	15		-		-
<b>EQUITY SHAREHOLDERS' FUNDS</b>					
			310		310

These financial statements were approved by the Board of Directors on 6 December 2001.

Signed on behalf of the Board of Directors



A R Goode  
Chairman

**THE WESTERN GAZETTE COMPANY LIMITED**

**RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**

**Year ended 30 September 2001**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities after taxation	1,264	1,653
Dividend	(1,264)	(1,653)
	<hr/>	<hr/>
Increase in equity shareholders' funds	-	-
Opening equity shareholders' funds	310	310
	<hr/>	<hr/>
Closing equity shareholders' funds	<u>310</u>	<u>310</u>

# THE WESTERN GAZETTE COMPANY LIMITED

## NOTES TO THE ACCOUNTS Year ended 30 September 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention.

#### **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)	25 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.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Where necessary, provision has been made for obsolete, slow moving and defective stocks.

#### **Deferred taxation**

The company has chosen to adopt FRS 19 (Deferred Tax) earlier than required by the standard. FRS 19 requires full provision to be made for deferred tax, as stated below. It replaces the "partial provision" rules previously allowed under Statement of Standard Accounting Practice No. 15. This change had no material impact on the company and hence there is no restatement of the opening reserves.

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 periods 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.

# THE WESTERN GAZETTE COMPANY LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 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 FRS 17 are explained in Note 18.

#### Cash flow statement

The company is ultimately 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

	2001		2000	
	£'000	£'000	£'000	£'000
Turnover		5,686		8,481
Staff costs	(1,395)		(2,132)	
Depreciation – owned assets	(191)		(307)	
Auditors' remuneration - audit fees	(7)		(15)	
Other operating charges	(2,336)		(3,637)	
Loss on disposal of tangible fixed assets	-		(13)	
		<u>(3,929)</u>		<u>(6,104)</u>
Operating profit		<u>1,757</u>		<u>2,377</u>

The comparative figures represent the period from 28 March 1999 to 30 September 2000.

**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE ACCOUNTS**  
**Year ended 30 September 2001**

**4. EMPLOYEES**

	<b>2001</b>	<b>2000</b>
The average number of persons employed by the company by activity:	<b>No.</b>	<b>No.</b>
Editorial	50	48
Advertising	47	53
Administration	30	34
	<u>127</u>	<u>135</u>
Total staff costs comprised:	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,244	1,922
Social security costs	74	126
Pension costs	77	84
	<u>1,395</u>	<u>2,132</u>

The comparative figures represent the period from 28 March 1999 to 30 September 2000.

**5. DIRECTORS' EMOLUMENTS**

	<b>2001</b>	<b>2000</b>
The emoluments of the directors of the company were as follows:	<b>£'000</b>	<b>£'000</b>
Aggregate emoluments (including benefits)	<u>199</u>	<u>327</u>

Included within the aggregate emoluments figure above are £34,000 (2000: £11,000) of performance related bonuses payable to certain directors by Northcliffe Newspapers Group Limited, the parent company.

Of the directors at 30 September 2001 who received emoluments during the year, retirement benefits are accruing to three directors under a defined benefit scheme (2000: four).

The emoluments of A R Goode, P M Greer, K R J Hayward and H S Wozniak are paid by Bristol United Press plc and are excluded from the details above. It is not practicable to split their remuneration between the services provided to Bristol United Press plc and its subsidiary companies. Their remuneration is fully disclosed in the accounts of Bristol United Press plc.

	<b>2001</b>	<b>2000</b>
<b>Highest paid director</b>	<b>£'000</b>	<b>£'000</b>
Aggregate emoluments	<u>97</u>	<u>129</u>
Accrued pension under a defined benefit scheme	<u>14</u>	<u>28</u>

The comparative figures represent the period from 28 March 1999 to 30 September 2000.

**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE ACCOUNTS**

Year ended 30 September 2001

**6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
<b>Corporation tax</b>		
Total current tax charge	541	724
<b>Deferred tax</b>		
Timing differences, origination and reversal	(48)	-
Taxation on profit on ordinary activities	<u>493</u>	<u>724</u>

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2000: 30%). The current tax charge for the year exceeds 30% (2000: exceeds 30%) for the reasons set out in the following reconciliation:

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities before tax	<u>1,757</u>	<u>2,377</u>
Tax on profit on ordinary activities at standard rate	527	713
Factors affecting the charge:		
Disallowable expenses	2	5
Capital allowances for period in excess of depreciation	12	2
Profit on disposal of fixed assets	-	4
	<u>541</u>	<u>724</u>

The company is not aware of any factors that may materially affect the future tax charge.

The comparative figures represent the period from 28 March 1999 to 30 September 2000.

**7. DIVIDEND**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Dividends on equity shares		
Ordinary proposed of £31.60 (2000: £41.33) per share	<u>1,264</u>	<u>1,653</u>

THE WESTERN GAZETTE COMPANY LIMITED

NOTES TO THE ACCOUNTS  
Year ended 30 September 2001

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Fixtures, plant, equipment and motor vehicles £'000	Total £'000
<b>Cost or valuation</b>			
At beginning of year	335	2,533	2,868
Additions	-	71	71
Disposals	-	(36)	(36)
At 30 September 2001	<u>335</u>	<u>2,568</u>	<u>2,903</u>
<b>Accumulated depreciation</b>			
At beginning of year	70	2,069	2,139
Charge for the year	29	162	191
Disposals	-	(12)	(12)
At 30 September 2001	<u>99</u>	<u>2,219</u>	<u>2,318</u>
<b>Net book value</b>			
At 30 September 2001	<u>236</u>	<u>349</u>	<u>585</u>
At 1 October 2000	<u>265</u>	<u>464</u>	<u>729</u>
Cost or valuation at 30 September 2001 is represented by:			
Cost	-	2,568	2,568
Valuation	335	-	335
	<u>335</u>	<u>2,568</u>	<u>2,903</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:

	2001 £'000	2000 £'000
Historical cost	454	454
Depreciation based on cost	(93)	(84)
Net book value	<u>361</u>	<u>370</u>

THE WESTERN GAZETTE COMPANY LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 September 2001

8. TANGIBLE FIXED ASSETS

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Net book value	<u>361</u>	<u>370</u>



**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 30 September 2001**

**9. STOCKS**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Consumables and promotional stock	9	12

The replacement cost of stocks is not materially different from that shown above.

**10. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	-	1,887
Amounts owed by group undertakings	2,901	-
Other debtors	51	1
Deferred tax asset	55	7
Prepayments and accrued income	84	215
	<u>3,091</u>	<u>2,110</u>

Prepayments and accrued income includes a pension prepayment of £46,000 (2000: £46,000) falling due after more than one year.

**11. CREDITORS**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Trade creditors	-	7
Amounts owed to group undertakings	-	214
Corporation tax	1,265	724
Other taxation and social security costs	449	454
Other creditors	94	4
Accruals and deferred income	304	140
Proposed dividends (note 7)	1,264	1,653
	<u>3,376</u>	<u>3,196</u>

**12. DEFERRED TAXATION**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
At beginning of year	7	-
Movement in the year (note 6)	48	7
At 30 September 2001	<u>55</u>	<u>7</u>

**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE ACCOUNTS**

Year ended 30 September 2001

**12. DEFERRED TAXATION (continued)**

The deferred taxation asset provided in the financial statements is analysed as follows:

	2001 £'000	2000 £'000
Accelerated capital allowances	55	7

There are no unprovided deferred taxation amounts.

A deferred tax asset of £55,000 has been recognised at 30 September 2001 (2000: £7,000). 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.

**13. PROVISION FOR LIABILITIES AND CHARGES**

	2001 £'000	2000 £'000
At beginning of year	10	-
Current year movement	(10)	10
At 30 September 2001 and 1 October 2000	-	10

**14. CALLED UP SHARE CAPITAL**

	2001 £'000	2000 £'000
<b>Authorised</b>		
40,000 ordinary shares of £5 each	200	200
<b>Allotted, called up and fully paid</b>		
40,000 ordinary shares of £5 each	200	200

**15. RESERVES**

	Profit and loss account £'000	Revaluation reserve £'000	Other reserves £'000
At beginning of the year	-	63	47
Retained profit for the year	-	-	-
At 30 September 2001	-	63	47

# THE WESTERN GAZETTE COMPANY LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 September 2001

### 16. FINANCIAL COMMITMENTS

	2001 £'000	2000 £'000
Tangible fixed assets contracted for but not provided in the financial statements	-	14

### 17. CONTINGENT LIABILITIES

The company, as part of an interest set-off arrangement, has guaranteed the overdraft facilities of a number of fellow subsidiaries of the Daily Mail and General Trust plc group. The maximum liability under the guarantee is limited to the credit balances on those bank accounts, which are part of the interest set-off arrangement together with the proceeds of any items in the course of collection for the credit of such bank accounts. At 30 September 2001 the potential liability was £75,000 (2000: £702,000).

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 30 September 2001 was £3,657,000 (2000: £nil).

### 18. PENSION ARRANGEMENTS

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

The schemes are defined benefit arrangements, 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 the trustees. Pension costs are assessed on the advice of an independent qualified actuary following triennial valuations using the projected unit method.

The most recent actuarial valuation of the defined benefit scheme as at 5 April 1999 showed that the market value of the scheme's assets was £70,400,000. Using the Projected Unit Valuation Method there was surplus at the valuation date amounting to 118% of the benefits that had accrued to members after allowing for expected future increases in earnings. This surplus is being used to enhance pension benefits. The following actuarial assumptions were made in the Projected Unit Valuation Method.

Investment returns	8.0% per annum
Salary growth	3.25% per annum
Discount rate	6.0% per annum
Price inflation	2.5% per annum

The actuarial valuation above has been updated to 30 September 2001, based upon the following assumptions:

Investment returns	7.0% per annum
Salary growth	4.2% per annum
Discount rate	6.0% per annum
Price inflation	2.4% per annum

# THE WESTERN GAZETTE COMPANY LIMITED

## NOTES TO THE ACCOUNTS Year ended 30 September 2001

### 18. PENSION ARRANGEMENTS (continued)

Fair value of the fund assets and expected rate of return as of 30 September 2001, are as follows:

<b>Managed Funds</b>	<b>Fair value BUP pension fund £'000</b>	<b>Fair value Executive scheme £'000</b>
Equity	49,476	5,893
Bonds	12,713	1,606
Other assets	1,523	342
Cash	3,810	310
Total fair value of assets at 30 September 2001	<u>67,522</u>	<u>8,151</u>

The overall expected rate of return on all fund assets is 7%.

The next valuation will take place on 5 April 2002.

The pension charge for the year ended 30 September 2001 was £77,000 (2000: £84,000), which includes a reduction in respect of amortisation of experience surpluses that are being recognised over 15 years, the average remaining service lives of employees. A prepayment of £46,000 (2000: £46,000) is included under debtors, representing the excess of accumulated contributions paid over the equivalent pension charge.

Daily Mail and General Trust plc replaced Western Newspapers Limited, a wholly owned subsidiary of Bristol United Press plc, as the principal employer of the BUP Pension Fund with effect from 1 July 2001. Day-to-day administration of the fund will remain within Bristol United Press plc, but the Daily Mail and General Trust plc pensions office will oversee the administration.

With effect from 1 July 2001, the BUP Pension Fund was closed. All current fund members, whether employees or pensioners, will remain in the BUP Pension Fund with their pension entitlements fully protected. In addition employees under the age of 20, who are awaiting membership, may join the BUP Pension Fund when they reach the age of 20. With effect from 1 July 2001, new employees will join Daily Mail and General Trust plc's Harmsworth Pension Scheme.

### 19. 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.

**THE WESTERN GAZETTE COMPANY LIMITED**

**NOTES TO THE ACCOUNTS**

**Year ended 30 September 2001**

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

The company is 100% owned by Bristol United Press plc, 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