



ARTHUR ANDERSEN

Stamford Mercury Limited

Accounts for the year ended 31 December 2000
together with directors' and auditors' reports

Company number: 129556



Directors and advisors

DIRECTORS

Mr M L A Chiappelli
Mr T J Bowdler

COMPANY SECRETARY

Mr M L A Chiappelli

REGISTERED OFFICE

Express House
Southgate
Wakefield
West Yorkshire WF1 1TE

AUDITORS

Arthur Andersen
18 Charlotte Square
Edinburgh EH2 4DF

Directors' report

For the year ended 31 December 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2000.

Principal activities

The company did not trade during the year or the preceding year and so no profit and loss account has been prepared.

Directors and their interests

The directors of the company at 31 December 2000 are listed on page 1.

None of the directors has a beneficial interest or holds shares in the company. Interests of the directors who are directors of the ultimate parent company, Johnston Press plc, are shown in that company's accounts.

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 year. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

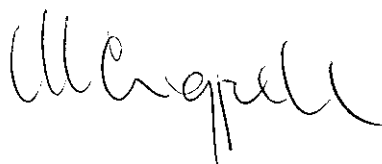
Directors' report (continued)

Auditors

The directors will place a resolution before the Annual General Meeting to re-appoint Arthur Andersen as auditors of the company for the ensuing year.

Express House
Southgate
Wakefield
West Yorkshire
WF1 1TE

By order of the Board

A handwritten signature in black ink, appearing to read 'M L A Chiappelli', written in a cursive style.

30 April 2001

M L A Chiappelli
Secretary

To the Shareholders of Stamford Mercury Limited:

We have audited the accounts on pages 5 and 6 which have been prepared under the historical cost convention and the accounting policies set out in note 1.

Respective responsibilities of directors and auditors

As described in the directors' report on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of 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 circumstances of the company, 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 at 31 December 2000 and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen.

Arthur Andersen
Chartered Accountants and Registered Auditors

18 Charlotte Square
Edinburgh
EH2 4DF

30 April 2001

Balance sheet

31 December 2000

	Notes	2000 £'000	1999 £'000
Capital and reserves			
Called-up share capital	3	15	15
Share premium account		4	4
Profit and loss account		(19)	(19)
Shareholders' funds		<u>-</u>	<u>-</u>

Approved by the Board of Directors



M L A Chiappelli

Director

30 April 2001

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

31 December 2000

1 Accounting policy

Basis of accounting

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 year or the preceding year and so no profit and loss account has been prepared. The auditors' remuneration in both the current and prior year was borne by another group undertaking.

No director received any remuneration from the company during the year (1999 - £nil).

3 Called-up share capital

	2000 £'000	1999 £'000
<i>Authorised:</i>		
9,500 6% preference shares of £1 each	9	9
1,500 "A" ordinary shares of £1 each	2	2
9,000 ordinary shares of £1 each	9	9
	<hr/> 20	<hr/> 20
<i>Allotted, called-up and fully paid:</i>		
7,000 6% preference shares of £1 each	7	7
1,200 "A" ordinary shares of £1 each	1	1
6,802 ordinary shares of £1 each	7	7
	<hr/> 15	<hr/> 15

4 Cash flow statement

The company is exempt from the requirement of FRS1 to include a cash flow statement as part of its accounts because it is a subsidiary of Johnston Press plc whose accounts contain a consolidated cash flow statement and are available to the public.

5 Related party transactions

The company is exempt from the requirement of FRS8 to include details of transactions with related parties who are fellow group undertakings.

6 Ultimate parent company

The company is a subsidiary undertaking of Johnston Press plc.

The only group in which the results of the company are consolidated is that headed by Johnston Press plc. The accounts of Johnston Press plc, are available to the public and may be obtained from Johnston Press plc, 53 Manor Place, Edinburgh, EH3 7EG.