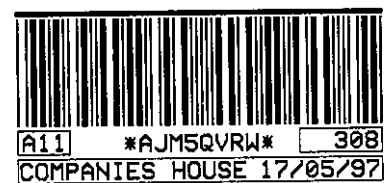


Abbreviated Financial Statements
for the Year Ended 29 February 1996
for
Borough News Limited



Borough News Limited

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for the Year Ended 29 February 1996

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Borough News Limited
Company Information
for the Year Ended 29 February 1996

DIRECTORS: A C Sutton
 D B Sutton
 C E Sutton
 N R Sutton

SECRETARY: A C Sutton

REGISTERED OFFICE: Normanby Cottage
 Claypits Lane
 Shrivenham
 Nr Swindon
 Wiltshire
 SN6 8AH

REGISTERED NUMBER: 1911678

AUDITORS: Monahans Ledbury Martin
 Registered Auditors
 Chartered Accountants
 38-42 Newport Street
 Swindon
 Wilts
 SN1 3DR

Borough News Limited

Report of the Auditors to
Borough News Limited

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated financial statements on pages four to six together with the full financial statements of Borough News Limited prepared under Section 226 of the Companies Act 1985 for the year ended 29 February 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 29 February 1996, and the abbreviated financial statements on pages four to six have been properly prepared in accordance with that Schedule.

Other information

On 16 Mar 1997 we reported, as auditors of Borough News Limited, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 29 February 1996, and our audit report was as follows:

"We have audited the financial statements on pages five to ten which have been prepared under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

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 judgments 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.

Borough News Limited

Report of the Auditors to
Borough News Limited

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We planned 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. However, the evidence available to us was limited because no information was available regarding the investments held by the company and income arising therefrom. The share in the profits and losses from the partnership have been included in the company's accounts from accounts prepared by the partnership to 28 May 1995, when most of its activities were disposed of, and amounted to a loss of £22,675. The investment in the partnership has been included in the balance sheet at £395,186. Any adjustment to these figures would have a consequential effect on the profit for the year and on the company's net assets. In consequence we have been unable to carry out auditing procedures necessary to obtain adequate assurance regarding the investments appearing in the balance sheet.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion: disclaimer on view given by financial statements

Because of the possible effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 29 February 1996 or of its profit for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to investments we have not obtained all of the information and explanations that we considered necessary for the purposes of our audit and we were unable to determine whether proper accounting records had been maintained."

Monahans Ledbury Martin

Monahans Ledbury Martin
Registered Auditors
Chartered Accountants
38-42 Newport Street
Swindon
Wilts
SN1 3DR

Dated: 16 May 1997

Borough News Limited

Abbreviated Balance Sheet

29 February 1996

		1996		1995	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	2		910,000		240,000
CURRENT ASSETS:					
Debtors		62		15,062	
Investments		395,186		537,861	
Cash at bank		533,738		52,164	
		<u>928,986</u>		<u>605,087</u>	
CREDITORS: Amounts falling due within one year		<u>248,356</u>		<u>140,864</u>	
NET CURRENT ASSETS:			<u>680,630</u>		<u>464,223</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£1,590,630</u>		<u>£704,223</u>
CAPITAL AND RESERVES:					
Called up share capital	3		30,000		30,000
Profit and loss account			1,560,630		674,223
Shareholders' funds			<u>£1,590,630</u>		<u>£704,223</u>

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

ON BEHALF OF THE BOARD:

..........
A C Sutton - DIRECTOR

Approved by the Board on ...16/5/97.....

Borough News Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 29 February 1996

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Investments

The company's investment in a partnership is shown at cost, plus profit share, less withdrawals.

Investments in other companies are shown at cost less provisions to reflect reduction in market value.

Investment properties are shown at valuation made by the directors each year.

Goodwill

Goodwill on acquisition is written off to reserves in the year in which it arises.

2. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 March 1995	240,000
Additions	10,000
Disposals	(240,000)
	<hr/>
At 29 February 1996	10,000
	<hr/>
NET BOOK VALUE:	
At 29 February 1996	£10,000
	<hr/>
At 28 February 1995	£240,000
	<hr/>

Investments (neither listed nor unlisted) were as follows:

	1996	1995
	£	£
Investment property	900,000	-
	<hr/>	<hr/>

Borough News Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 29 February 1996

3. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	1996 £	1995 £
30,000	'A' Ordinary Shares	£1	30,000	30,000
30,000	'B' Ordinary Shares	£1	30,000	30,000
			<u>60,000</u>	<u>60,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1996 £	1995 £
27,000	'A' Ordinary Shares	£1	27,000	27,000
3,000	'B' Ordinary Shares	£1	3,000	3,000
			<u>30,000</u>	<u>30,000</u>