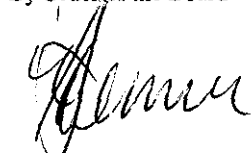


Directors' Report: The directors present their report and accounts for the year ended 31 December 2000.

Directors: The directors holding office during the year are set out below. No director has any beneficial interest in the shares of the Company.

S J H Coles, W Lee, S L Jenner (appointed 31/10/2000), Y H Tio-Parry (appointed 30/11/2000) and T E Dyer (resigned 31/10/2000)

By Order of the Board



S L Jenner
Secretary

Date: 7 August 2001

Registered Office: First Floor, The Quadrangle, 180 Wardour Street, London W1A 4YG

BALANCE SHEET AS AT 31 DECEMBER 2000

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
<u>Fixed Assets</u>			
Investment – shares in subsidiary undertaking	3	396,801,151	396,801,151
<u>Current Assets</u>			
Amounts owed by group undertaking		5,680	5,680
<u>Creditors</u> (amounts falling due within one year)			
Amounts owed to group undertaking		(235,200,000)	(235,200,000)
		<u>161,606,831</u>	<u>161,606,831</u>
<u>Capital and Reserves</u>			
<i>Called up share capital</i>			
<i>Equity:</i> Authorised, issued and fully paid:			
192,801,152 ordinary shares of 0.001p each		1,928	1,928
680 "A" ordinary shares of £1 each	4	680	680
1 "B" ordinary share of £1 each	4	1	1
Capital reserve		192,799,224	192,799,224
Profit and loss account		(31,200,002)	(31,200,002)
		<u>161,601,831</u>	<u>161,601,831</u>
<i>Non-equity:</i> Authorised, issued and fully paid:			
5,000 7% preference shares of £1 each	4	5,000	5,000
		<u>161,606,831</u>	<u>161,606,831</u>

For the year ended 31 December 2000 the Company was entitled to exemption under Section 249AA(1) of the Companies Act 1985. Members have not required the Company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- ensuring the Company keeps accounting records which comply with Section 221; and
- preparing accounts 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 its profit and loss for the financial year, in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

Approved on behalf of the Board



Y H Tio-Parry
Director

See page 2 for Notes to the Accounts



Date: 7 August 2001

NOTES TO THE ACCOUNTS

1. The accounts have been prepared under the historical cost convention in accordance with applicable UK accounting standards and on a basis consistent with the previous year.
2. The Company has not traded during the year, has incurred no liabilities and, consequently has made neither profit nor loss. None of the directors received any emoluments in respect of their services to the Company.
3. The Company owns 100% of the issued ordinary share capital and 'A' ordinary share capital of TPH Publishing Limited, a company incorporated in England and Wales. TPH Publishing Limited is a holding company. Group accounts are not prepared as the Company is a wholly owned subsidiary of another company incorporated in England and Wales. The directors are of the opinion that the value of the Company's investment in its subsidiaries is not less than the amount at which it is included in the balance sheet.
4. The holders of the "A" ordinary shares are entitled to receive dividends in the ratio 680:275,000,000 of the ordinary dividends declared. On winding up, the "A" ordinary shareholders rank above ordinary shareholders and are entitled to receive a maximum of £1.50 per share. The "B" ordinary shareholders are entitled to a preferential dividend at 7% per annum on the par value of those shares. On winding up, the "B" ordinary shareholders are entitled to receive £1 per share. Neither the "A" nor "B" ordinary shares carry any voting rights.

The holders of the 7% preference shares are entitled to receive dividends at 7% per annum on the par value of these shares. On winding up, the preference shareholders rank above all ordinary shareholders and are entitled to receive £1 per share and any dividends accrued but unpaid in respect of their shares. These shares do not carry any voting rights.

5. The Company is a close company within the meaning of Section 414 of the Income and Corporation Taxes Act 1988. Within the meaning of the Companies Act 1985 Thomson Investments Limited ("TIL") is regarded by the directors of the Company as being the Company's ultimate parent company. Within the meaning of the said Act The Thomson Corporation ("Thomson") is the only undertaking for which group accounts are drawn up and of which the Company is a member. TIL and Thomson are incorporated under the laws of the Province of Ontario, Canada.

Copies of the Thomson annual report are available from: First Floor, The Quadrangle, 180 Wardour Street, London W1A 4YG.