

**SCOTTISH DAILY RECORD & SUNDAY
MAIL LIMITED**

Report and Financial Statements

29 December 2002



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Officers and professional advisers	1
Directors' report	2
<i>Independent auditors' report</i>	4
Profit and loss account	5
Note of historical cost profits and losses	6
Reconciliation of movements in shareholders' funds	6
Balance sheet	7
Notes to the accounts	8

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Sir A Grossart
M T Hollinshead
P A Vickers
V L Vaghela

SECRETARY

T M Secretaries Limited

REGISTERED OFFICE

One Central Quay
Glasgow
G3 8DA

BANKERS

Royal Bank of Scotland plc
10 Gordon Street
Glasgow
G1 3PL

SOLICITORS

Mc Grigor Donald
Pacific House
70 Wellington Street
Glasgow
G2 6SB

AUDITORS

Deloitte & Touche LLP
Glasgow

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 29 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company is the publishing of newspapers.

REVIEW OF ACTIVITIES

The company's results for the year are set out on page 5. The directors are satisfied with the performance of the company and look forward to the future with optimism.

RESULTS AND TRANSFER TO RESERVES

The profit on ordinary activities before taxation amounted to £24,888,000 (year ended 30 December 2001 - £20,032,000). No dividend was paid during the year (year ended 30 December 2001 - £Nil). The retained profit for the financial year of £16,969,000 (year ended 30 December 2001 - £13,310,000) has been transferred to reserves.

DIRECTORS

The directors of the company during the year, together with their dates of appointment and resignation, where relevant, were:

Sir A Grossart	
M T Hollinshead	
P A Vickers	
M Ewing	(resigned 28 June 2002)
M D Haysom	(resigned 10 April 2003)
V L Vaghela	(appointed 1 July 2003)

The ultimate parent company at 29 December 2002 was Trinity Mirror plc.

The interests and options of the director who is not a director of Trinity Mirror plc at the end of the financial year in the ordinary share capital of Trinity Mirror plc are:

	29 December 2002 Options	30 December 2001 Options
M T Hollinshead	28,262	28,262

The above options were held under share schemes at 544p and exercisable between May 2003 and May 2010.

The report and financial statements of the ultimate parent company details the interests of Sir A Grossart, P A Vickers and M D Haysom in the shares of that company.

INSURANCE OF DIRECTORS

Trinity Mirror plc maintains insurance for its directors, including directors of its subsidiary undertakings, in respect of their duties.

POLITICAL AND CHARITABLE DONATIONS

Contributions of £29,000 (year ended 30 December 2001 - £6,000) were made during the year for charitable purposes. No political donations were made during the year.

CREDITOR PAYMENT POLICY

It is the policy of the company to agree suitable terms and conditions for its business transactions with suppliers. These terms and conditions range from standard written terms to individually drafted contracts. Once such terms are agreed it is the company's policy to fully adhere to them, including payment schedules, provided the supplier has also complied with the terms and conditions. The company's suppliers are paid by MGN Limited, a fellow subsidiary undertaking, as part of a centralised accounts payable function. The average payment period disclosed by MGN Limited is 29 days (30 December 2001 - 57 days).

DIRECTORS' REPORT (continued)

EMPLOYEE RELATED MATTERS

Disabled Persons

The company's policy is to give fair and equal consideration to the recruitment, employment and career development of disabled persons where suitable opportunities arise, and to provide such training and other assistance as may be necessary and practicable. Employees who become disabled and unable to continue in their existing jobs are given the opportunity to be retrained for suitable alternative employment.

Employee Involvement

Communication and participation of employees is achieved through both formal and informal channels. The means of communication range from formal union procedures to staff briefings and formal and informal management briefings. Where appropriate, communication is by personal letter or circular to employees individually.

Employee Share Award Scheme

The company participates in the employee share award scheme of Trinity Mirror plc and its subsidiary undertakings (the "Group").

Pension schemes

The company participates in the pension schemes of the Group as described in Note 5 to the financial statements.

AUDITORS

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche as the company's auditors will be proposed at the forthcoming Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

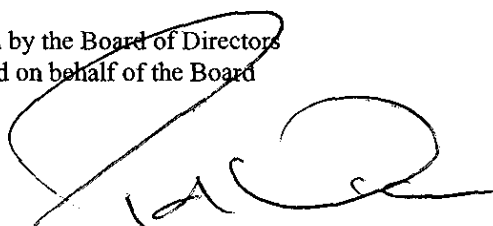
United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial 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 a going concern basis.

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.

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

Director
3rd October 2003



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCOTTISH DAILY RECORD & SUNDAY MAIL LIMITED

We have audited the financial statements of Scottish Daily Record & Sunday Mail Limited for the year ended 29 December 2002 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds, the note of historical cost profits and losses, the statement of accounting policies and the related notes 1 to 20. 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 29 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Manchester

3 October 2003

PROFIT AND LOSS ACCOUNT
Year ended 29 December 2002

	Note	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
TURNOVER	2	106,829	110,103
Cost of sales		(63,138)	(69,576)
GROSS PROFIT		43,691	40,527
Net operating expenses	3	(19,025)	(20,270)
OPERATING PROFIT	4	24,666	20,257
Income from investments	6	270	32
Interest payable	7	(48)	(257)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		24,888	20,032
Tax on profit on ordinary activities	8	(7,919)	(6,722)
RETAINED PROFIT FOR THE FINANCIAL YEAR	16	16,969	13,310

All turnover and results arose from continuing operations.

There are no recognised gains or losses other than the profit for the current and prior years. Accordingly, a statement of total recognised gains and losses has not been presented.

NOTE OF HISTORICAL COST PROFITS AND LOSSES**Year ended 29 December 2002**

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Reported profit on ordinary activities before taxation	24,888	20,032
Difference between historical cost depreciation charge and actual depreciation charge for the year calculated on the revalued amount	454	227
Historical cost profit on ordinary activities before taxation	25,342	20,259
Historical cost profit for the year after taxation and dividends	17,423	13,537

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Year ended 29 December 2002**

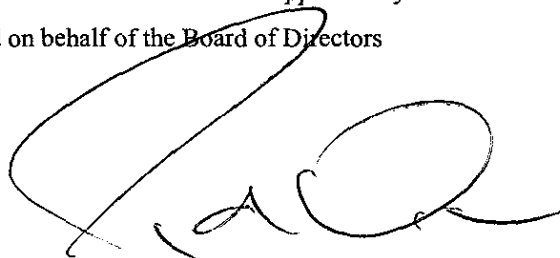
	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Profit on ordinary activities after taxation	16,969	13,310
Net additions to shareholders' funds	16,969	13,310
Opening shareholders' funds	61,677	48,367
Closing shareholders' funds	78,646	61,677

BALANCE SHEET
29 December 2002

		29 December 2002 £'000	30 December 2001 £'000
	Note		
FIXED ASSETS			
Tangible assets	9	60,215	63,295
Investments	10	7,505	7,421
		<u>67,720</u>	<u>70,716</u>
CURRENT ASSETS			
Stocks	11	26	52
Debtors	12	475,564	393,923
Property held for resale		1,335	1,335
Cash at bank and in hand		1,632	934
		<u>478,557</u>	<u>396,244</u>
CREDITORS: amounts falling due within one year	13	<u>(459,284)</u>	<u>(396,658)</u>
NET CURRENT LIABILITIES		<u>19,273</u>	<u>(414)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		86,993	70,302
PROVISIONS FOR LIABILITIES AND CHARGES	14	<u>(8,347)</u>	<u>(8,625)</u>
NET ASSETS		<u>78,646</u>	<u>61,677</u>
CAPITAL AND RESERVES			
Called up share capital	15	1,022	1,022
Share premium account	16	18	18
Revaluation reserve	16	6,449	6,903
Profit and loss account	16	71,157	53,734
EQUITY SHAREHOLDERS' FUNDS		<u>78,646</u>	<u>61,677</u>

These financial statements were approved by the Board of Directors on 3rd October 2003.

Signed on behalf of the Board of Directors



NOTES TO THE ACCOUNTS

Year ended 29 December 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets. The directors consider the going concern basis of preparation of the financial statements continues to be appropriate as the ultimate parent company has confirmed its intention to provide financial support as required.

Basis of preparation

The financial statements reflect the adoption of Financial Reporting Standard 17 'Retirement benefits'. The adoption of FRS 17 has not had an impact on the profit and loss account or the balance sheet.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of newspapers and advertising space sold and sundry goods and services supplied.

Deferred taxation

Deferred taxation is provided in full at the anticipated tax rates on timing differences arising from the different treatment of items for accounting and taxation purposes. No provision is made for deferred tax on investment revaluations. The company has elected not to discount the deferred tax assets and liabilities.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation. The transitional arrangements of Financial Reporting Standard 15 "Measurement of tangible Fixed Assets" ("FRS 15") are being adopted in respect of certain freehold buildings included within "land and buildings" where the valuation has been frozen as modified historical cost.

Further details are given in note 9. Depreciation is provided on all buildings, plant, machinery and other equipment on a basis that will write off, by equal annual instalments, the cost or valuation less estimated residual values of these assets over their expected useful lives. No depreciation is provided on land or assets in the course of construction. Depreciation periods applied are as follows:

Buildings	50 years
Refurbishments	5 to 10 years
Plant and machinery	5 to 20 years
Motor vehicles	4 years
Fixtures and fittings	5 to 15 years

Investments

Fixed asset investments are stated at cost less provisions for impairment in value.

Finance and operating leases

Assets held under finance leases are included in fixed assets and the capital elements of the leasing commitments are shown as obligations under finance leases. Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease terms.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Libel litigation

Accruals are made for legal costs in respect of libel litigation in progress. Provision is made for estimated damages where it is judged probable that damages will be payable.

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

1. ACCOUNTING POLICIES (continued)

Pension scheme arrangements

The company contributes to the MGN Pension Scheme, a defined benefit scheme.

The MGN Pension Scheme operates for employees of a number of Trinity Mirror group companies and as such, Scottish Daily Record & Sunday Mail Limited is unable to identify its share of the underlying assets and liabilities of the Scheme. Under Financial Reporting Standard 17 "FRS 17" the actual cost of providing pensions to the company will be charged to the profit and loss account as incurred during the year.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated to sterling at rates of exchange ruling at the end of the period. Differences on exchange arising from this translation are taken to the profit and loss account.

Consolidated financial statements and cash flows

Group financial statements are not prepared for the company and its subsidiaries as the company is a wholly owned subsidiary of a company incorporated in Great Britain. As the company is a wholly owned subsidiary, the cash flows of the company are included in the consolidated cash flow statement of its parent undertaking. Consequently the company is exempt under the provisions of Financial Reporting Standard 1 - "Cash Flow Statements", from publishing a separate cash flow statement.

2. TURNOVER

Turnover is comprised substantially of sales in the United Kingdom and is derived from newspaper publishing and related activities.

3. NET OPERATING EXPENSES

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Distribution costs	3,570	4,073
Administration expenses	15,455	16,197
	<u>19,025</u>	<u>20,270</u>

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

4. OPERATING PROFIT

Operating profit is stated after charging:

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Depreciation - owned assets	4,169	4,694
- leased assets	377	377
Operating lease rentals - plant and machinery	52	420
- other	220	161
Profit on sale of fixed assets	660	-

The auditors' remuneration has been borne by Trinity Mirror plc for the statutory audit of the Group as a whole, and is not recharged to the company. Fees for other services provided were £17,000 (year ended 30 December 2001 - £26,000).

5. STAFF COSTS AND DIRECTORS' EMOLUMENTS

Staff costs are as follows:

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Wages and salaries	16,041	16,759
Social security costs	1,454	1,398
Pension cost	1,163	989
	<u>18,658</u>	<u>19,146</u>

The average weekly number of employees during the year is set out below:

	No	No
Production and editorial	309	301
Selling and distribution	99	84
Administration	60	56
	<u>468</u>	<u>441</u>

Directors' emoluments

Four (year ended 30 December 2001 - five) of the directors were remunerated by the parent company Trinity Mirror plc for their services to the group as a whole. Their emoluments are disclosed in the financial statements of Trinity Mirror plc.

Five of the directors were members of the group's defined benefit pension arrangements (year ended 30 December 2001 - eighteen).

One of the directors exercised part of their share options in the ultimate parent company during the year (year ended 30 December 2001 - none), with an aggregate gain of £1,591 (2001 - £Nil).

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

5. STAFF COSTS AND DIRECTORS' EMOLUMENTS (continued)

The emoluments of the remaining other directors were:

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Emoluments of directors	171	972
Pension contributions	-	-
	<u>171</u>	<u>972</u>

The emoluments of the highest paid director, which were borne by other group companies, were:

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Emoluments	470	529
Accrued pension	73	232
Pension contributions to money purchase schemes	-	118
	<u>-</u>	<u>118</u>

Pensions

The company contributes to the MGN Pension Scheme, a defined benefit scheme.

The scheme provides benefits based on final pensionable pay and is set up under a trust which holds the assets of the scheme separately from the company.

The pension cost is assessed in accordance with the advice of qualified actuaries using the projected unit method. The last formal actuarial valuation of the MGN Pension Scheme was prepared as at 31 December 2000. At the date of the updated valuation the actuarial value of the assets in the scheme was sufficient to cover 91% of the accrued benefits of the members, after allowing for projected salaries on the basis of the following assumptions:

Pension increases (1992 – 1997)	3.00%
Pension increases (1997 onwards)	3.75%
Pay increases	5.00%
Overall investment return	7.80%
Dividend yield	2.85%
Price inflation	3.50%

The implications of the deficit for the employer are an increase in contribution rate of 1% to 10% effective from 1 January 2003.

Accrued pension costs at 29 December 2002 were £Nil (year ended 30 December 2001 - £Nil).

6. INCOME FROM INVESTMENTS

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Dividends receivable from listed investments	<u>270</u>	<u>32</u>

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

7. INTEREST PAYABLE

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Finance leases	35	252
Loan notes	13	5
	<u>48</u>	<u>257</u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 29 December 2002 £'000	Year ended 30 December 2001 £'000
Tax charge in year		
Profit on ordinary activities before tax	24,888	20,032
Current tax:		
Corporation tax charge for current period	27	-
Group relief payable	6,964	5,229
Adjustment to prior year	1,206	-
Deferred tax:		
Deferred tax charge for the current year	650	1,154
Adjustment to prior year	(928)	339
	<u>7,919</u>	<u>6,722</u>

Reconciliation of current tax charge

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2001 - 30%). The current tax charge for the year is more than 30% (2001 - was less than 30%) for the reasons set out in the following reconciliation:

	2002	2001
UK standard rate of corporation tax	30.0%	30.0%
Permanent items	1.0%	0.6%
Capital allowances for the period in excess of depreciation	(2.9)%	(4.5)%
Other short term timing differences	(0.1)%	-
Prior year adjustment	4.8%	-
Total current tax charge for year	<u>32.8%</u>	<u>26.1%</u>

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Plant and machinery £'000	Fixtures, fittings & motor Vehicles £'000	Total £'000
Cost or valuation				
At 31 December 2001	41,858	55,574	1,239	98,671
Additions	-	1,434	54	1,488
Disposals	(22)	(3,000)	(51)	(3,073)
Reclassifications	(950)	-	-	(950)
At 29 December 2002	<u>40,886</u>	<u>54,008</u>	<u>1,242</u>	<u>96,136</u>
Depreciation				
At 31 December 2001	1,383	33,184	809	35,376
Charge for the year	683	3,735	128	4,546
Disposals		(3,000)	(51)	(3,051)
Reclassifications	(950)			(950)
At 29 December 2002	<u>1,116</u>	<u>33,919</u>	<u>886</u>	<u>35,921</u>
Net book value				
At 29 December 2002	<u>39,770</u>	<u>20,089</u>	<u>356</u>	<u>60,215</u>
At 31 December 2001	<u>40,475</u>	<u>22,390</u>	<u>430</u>	<u>63,295</u>

The net book value of plant and machinery includes £4,711,000 (30 December 2001 - £5,088,000) in respect of assets held under finance leases.

Included in freehold land and buildings are revalued properties with a net book value of £26,401,000 (30 December 2001 - £26,848,000).

These properties were valued at £27,600,000 on 31 December 1999 by Montagu Evans Limited, Consultant Surveyors and Valuers. The transitional arrangements of FRS 15 are being adopted in respect of these freehold land and buildings where the valuation has not been updated since 1999. The value of these assets is now frozen as modified historical cost.

The basis of valuation was depreciated replacement cost. This method valuation was deemed by the directors to be the most appropriate as there was no readily obtainable market value for the buildings in their existing use.

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

9. TANGIBLE FIXED ASSETS (continued)

If these properties had not been revalued they would have been included at the following amounts:

	29 December 2002 £'000	30 December 2001 £'000
Cost	23,852	23,852
Aggregate depreciation on cost	(3,900)	(3,907)
	<u>19,952</u>	<u>19,945</u>

10. INVESTMENTS

	29 December 2002 £'000	30 December 2001 £'000
Investments in group undertakings	<u>7,505</u>	<u>7,421</u>

Investments are stated at cost, with no provision for diminution in value considered necessary. All companies are registered in Scotland. All investments are in the ordinary shares of the companies as set out below.

Name of Undertaking	Activity	% of nominal value of issued shares held
<i>Direct interests in Group undertakings</i>		
First Press Publishing Limited	Trading company	100%
Insider Publications Limited	Trading company	100%
Metropolitan Free Newspapers Limited	Holding company	100%
Saltire Press Limited	Non-trading	100%
Newsday Limited	Dormant	100%
Scotfree Limited	Dormant	100%
Scottish Opinion Limited	Joint venture	51%
<i>Indirect interests in Group undertakings</i>		
Glaswegian Publications Limited	Dormant	100%
The Edinburgh and Lothians Post Limited	Dormant	100%
Dundonian Publications Limited	Dormant	100%
Aberdonian Publications Limited	Dormant	100%

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

11. STOCKS

	29 December 2002 £'000	30 December 2001 £'000
Raw materials and consumables	26	52

12. DEBTORS

	29 December 2002 £'000	30 December 2001 £'000
Trade debtors	890	-
Amounts owed by group undertakings		
Fellow subsidiaries	472,975	391,574
Other debtors	233	209
Prepayments and accrued income	1,466	2,140
	<u>475,564</u>	<u>393,923</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 December 2002 £'000	30 December 2001 £'000
Loan notes	444	586
Obligations under finance leases	-	1,772
Trade creditors	698	-
Amounts owed to group undertakings		
Ultimate parent company	170	9,176
Fellow subsidiaries	432,415	360,864
Corporation tax payable	2,267	1,055
Other taxation and social security	2,322	1,936
Other creditors	318	315
Accruals and deferred income	20,650	20,954
	<u>459,284</u>	<u>396,658</u>

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

14. PROVISIONS FOR LIABILITIES AND CHARGES

	Property provisions £'000	Deferred taxation £'000	Total £'000
At 31 December 2001	100	8,525	8,625
Profit and loss account release	-	(278)	(278)
At 29 December 2002	100	8,247	8,347

The property provisions will be utilised over the life of the building.

The amounts for deferred tax provided in the accounts are as follows:

	29 December 2002 £'000	30 December 2001 £'000
Capital allowances for the period in excess of depreciation	9,233	7,620
Other short term timing differences	(986)	905
	8,247	8,525

15. CALLED UP SHARE CAPITAL

	29 December 2002 £'000	30 December 2001 £'000
Authorised:		
1,022,100 ordinary shares of £1 each	1,022	1,022
Called up, allotted and fully paid:		
1,022,084 ordinary shares of £1 each	1,022	1,022

16. RESERVES

	Share premium account £'000	Revaluation reserve £'000	Profit and loss account £'000
At 31 December 2001	18	6,903	53,734
Retained profit for the financial year	-	-	16,969
Transfer of excess depreciation on revaluation	-	(454)	454
At 29 December 2002	18	6,449	71,157

NOTES TO THE ACCOUNTS (continued)
Year ended 29 December 2002

17. FINANCIAL COMMITMENTS

The company had annual commitments under operating leases in respect of land and buildings and motor vehicles as follows:

	Land and Buildings		Other	
	29 December 2002 £'000	30 December 2001 £'000	29 December 2002 £'000	30 December 2001 £'000
Operating leases which expire:				
Within one year	3	3	-	81
Between two and five years	16	16	52	339
After five years	201	142	-	-

Capital Commitments

At 29 December 2002 the company had no capital commitments (year ended 30 December 2001 - £nil).

18. CONTINGENT LIABILITIES

The company, together with certain of its fellow subsidiaries in the United Kingdom, has guaranteed the loans (including the US Private Placement) and bank overdraft of the ultimate parent company with certain of the group's bankers. At 29 December 2002 this amounted to £614m (year ended 30 December 2001 -£689m). Consequently, the company is dependent on the support of Trinity Mirror plc.

19. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary within the group, and utilises the exemption contained in Financial Reporting Standard 8 - "Related Party Disclosures", not to disclose any transactions with entities that are part of the group. The address at which the group consolidated financial statements are publicly available is shown in Note 20.

20. ULTIMATE PARENT COMPANY AND IMMEDIATE PARENT COMPANY

The ultimate parent company and controlling party is Trinity Mirror plc, and the immediate parent company is Mirror Group Limited. Trinity Mirror plc, registered in England and Wales, is the largest and smallest company which produces consolidated financial statements. The consolidated financial statements of Trinity Mirror plc may be obtained from The Company Secretary, Trinity Mirror plc, One Canada Square, Canary Wharf, London, E14 5AP.