

**Scottish Daily Record and Sunday Mail
Limited**

Registration number SC012921

Annual Report and Financial Statements

52 weeks ended 29 December 2013

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Scottish Daily Record and Sunday Mail Limited
(Registration number SC012921)

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Officers and registered office

Directors

Simon Fox

Mark Hollinshead

Paul Vickers

Vijay Vaghela

Company Secretary

T M Secretaries Limited

Registered Office

One Central Quay

Glasgow

G3 8DA

Scottish Daily Record and Sunday Mail Limited

(Registration number SC012921)

Directors' report

The directors present their annual report and financial statements for the 52 weeks ended 29 December 2013.

Results and dividends

The results for the period are set out on page 6. The retained profit for the period of £9,055,000 (2012: £9,937,000) has been transferred to reserves. The directors do not recommend the payment of a dividend for the period (2012: £nil).

Financial position and future prospects

The financial position of the company is set out on page 7. The directors are satisfied as to the future prospects of the company.

The net assets of the company have increased by ££9,055,000 (2012: £9,937,000) due to the retained profit (2012: retained profit) for the period.

Directors

The present membership of the Board is set out on page 1. The directors who served during the period were:

Mark Hollinshead
Vijay Vaghela
Paul Vickers

Simon Fox was appointed to the Board on 17 May 2013.

During the period, the company has maintained adequate cover for its directors and officers under a directors' and officers' liability insurance policy.

Employee related matters

Communication and participation of employees is achieved through formal and informal management and staff briefings and where relevant, formal union procedures. Where appropriate, communication is by individual personal letter or circular. The company 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 are unable to continue in their existing jobs are given the opportunity to be retrained for suitable alternative employment.

Directors' responsibilities statement

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Scottish Daily Record and Sunday Mail Limited
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Directors' report (continued)

Disclosure of information to the auditors

The directors at the date of this report confirm that:

- as far as each of the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all steps he should have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved and signed on behalf of the Board of Directors



Vijay Vaghela

30 April 2014

Scottish Daily Record and Sunday Mail Limited
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Strategic report

Principal activity

The principal activity of the company is the publishing of newspapers and related digital activities and it is part of the Publishing division of Trinity Mirror plc.

Business review

The company has reported an operating profit of £11,788,000 (2012: £13,151,000). The directors carried out an annual impairment review of intangible assets which has resulted in an impairment of £137,000 (2012: £nil). Operating profit has fallen versus the prior period due to revenue declines partially offset by lower costs.

Principal risks and uncertainties

The key risk to the company is that the structural challenges facing print media results in a faster than anticipated loss of revenue. The directors look to mitigate this risk by the continuing focus on reducing costs and looking for new revenue streams.

Key performance indicators

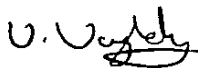
The key performance indicators that the company uses are revenue, operating profit, operating margin and audience measures. In a challenging market, as has been experienced during the period, the company seeks to target performance in line with or ahead of competitors or comparators taking account of the company's strategy.

Going concern basis

In determining whether the company's financial statements can be prepared on a going concern basis the directors have considered the factors likely to affect the future development, performance and financial position of the company. In particular, the company has considered the implications of the challenging economic environment and the reliance on the Trinity Mirror plc group.

At the date of signing of these financial statements the directors have considered all the factors impacting the company's business, including downside sensitivities. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Approved and signed on behalf of the Board of Directors



Vijay Vaghela

30 April 2014

Independent auditor's report to the members of Scottish Daily Record and Sunday Mail Limited (Registration number SC012921)

We have audited the financial statements of Scottish Daily Record and Sunday Mail Limited for the period ended 29 December 2013 which comprise the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2013 and of its profit for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

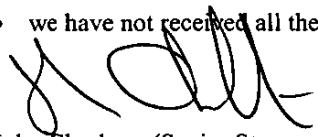
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


John Charlton (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

30 April 2014

Scottish Daily Record and Sunday Mail Limited
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**Profit and loss account
for the 52 weeks ended 29 December 2013**

	Notes	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Turnover	2	73,607	78,851
Cost of sales		(35,751)	(37,531)
Gross profit		37,856	41,320
Distribution costs		(13,159)	(13,361)
Administrative costs		(12,909)	(14,808)
Operating profit	3	11,788	13,151
Income from investments		108	-
Profit on ordinary activities before taxation		11,896	13,151
Tax on profit on ordinary activities	5	(2,841)	(3,214)
Retained profit for the period	14	9,055	9,937

All turnover and results arose from continuing operations.

There are no recognised gains or losses other than the retained profit for the period. Accordingly a separate statement of total recognised gains and losses has not been presented.

**Reconciliation of movements in shareholders' funds
for the 52 weeks ended 29 December 2013**

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Retained profit for the period	9,055	9,937
Net increase to shareholders' funds	9,055	9,937
Opening shareholders' funds	93,911	83,974
Closing shareholders' funds	102,966	93,911

Scottish Daily Record and Sunday Mail Limited
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Balance sheet
at 29 December 2013

	Notes	29 December 2013 £'000	30 December 2012 £'000
Fixed assets			
Intangible fixed assets	6	-	137
Tangible fixed assets	7	1,327	2,489
Investments in subsidiary undertakings	8	18,521	18,523
Investments in associated undertakings	9	20	20
		<u>19,868</u>	<u>21,169</u>
Current assets			
Debtors	10	84,478	73,417
Cash at bank and in hand		125	1,066
		<u>84,603</u>	<u>74,483</u>
Creditors: amounts falling due within one year	11	(1,468)	(1,685)
Net current assets		<u>83,135</u>	<u>72,798</u>
Total assets less current liabilities		103,003	93,967
Provisions for liabilities	12	(37)	(56)
Net assets		<u>102,966</u>	<u>93,911</u>
Equity capital and reserves			
Called up share capital	13	1,022	1,022
Share premium account	14	18	18
Profit and loss account	14	101,926	92,871
Shareholders' funds		<u>102,966</u>	<u>93,911</u>

These financial statements were approved by the Board of Directors on 30 April 2014.

Signed on behalf of the Board of Directors



Vijay Vaghela

Scottish Daily Record and Sunday Mail Limited
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Notes to the financial statements for the 52 weeks ended 29 December 2013

1. Accounting policies

The accounting policies have all been applied consistently throughout the period and the preceding period. The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The particular accounting policies adopted are described below.

Basis of preparation

The financial statements have been prepared on a going concern basis as set out on page 4.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of newspapers and advertising space sold and sundry goods and services supplied. Revenue is measured at the fair value of the consideration received, net of applicable discounts and value added tax. Advertising revenue is recognised upon publication. Circulation revenue is recognised at the time of sale. Digital revenue is recognised over the period of the online campaign. Other revenue is recognised at the time of sale or provision of service.

Foreign currency

Transactions denominated in foreign currencies are translated into the functional currency at the rates ruling at the dates of the transactions. 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.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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. A deferred tax asset is regarded as recoverable and therefore recognised only when it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. The company has elected not to discount the deferred tax assets and liabilities.

Intangible fixed assets

Acquired intangible assets relating to newspaper titles are separately identified and are stated at cost at the date of acquisition. The directors are of the opinion that, based on the age of the titles and their position in the market place, in current circumstances, the titles acquired have an indefinite economic life and have therefore not been amortised but are subject to annual impairment reviews. For the purpose of impairment testing newspaper titles are tested annually or more frequently when there is an indication that the recoverable amount is less than the carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate. An impairment loss is recognised in the profit and loss account in the period it occurs and is not reversed in subsequent periods.

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

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Notes to the financial statements for the 52 weeks ended 29 December 2013

1. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis in order to write off the tangible fixed assets over their expected useful lives. Provision is made if appropriate for any impairment in value. Set out below is a summary of the useful lives on which depreciation rates are based:

Plant and machinery	3 to 20 years
Fixtures and fittings	5 to 15 years

Investments

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

Pension scheme arrangements

The company contributed to the Trinity Mirror Pension Plan, a defined contribution scheme during the current and prior period. The scheme has been set up under a trust that holds the financial assets separately from those of the group and is controlled by trustees. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

In prior periods, the company contributed to the MGN Pension Scheme, a defined benefit scheme which was closed to future accrual from 31 March 2010. MGN Pension Scheme operates for employees of a number of Trinity Mirror plc group companies and as such, MGN Limited is unable to identify its share of the underlying assets and liabilities of the scheme. Under Financial Reporting Standard 17, "Retirement Benefits", contributions paid by the company were charged to the profit and loss account as incurred during the period.

Share-based payments

Equity settled share-based payments are measured at fair value at the date of grant and expensed on a straight line basis over the vesting period based on the estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. The shares offered under such schemes are shares in Trinity Mirror plc, the ultimate parent company.

Consolidated financial statements and cash flows

The company is exempt under Section 400 of the Companies Act 2006 from preparing group financial statements for the company and its subsidiaries, as the company is a wholly owned subsidiary of a company incorporated in England and Wales. Therefore, these financial statements represent those of the company and not the group. The company is a wholly owned subsidiary, and the cash flows of the company are included in the consolidated cash flow statement of its parent undertaking which is publicly available. Consequently the company is exempt under the provisions of Financial Reporting Standard 1 (Revised), "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 its principal activity.

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Notes to the financial statements for the 52 weeks ended 29 December 2013

3. Profit on ordinary activities before taxation

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation on owned assets	1,162	1,203
Operating lease rentals for other	1,485	1,493
Restructuring costs	125	739
Impairment of intangible fixed assets	137	-

The auditors' remuneration of £31,000 (2012: £31,000) for the audit of the statutory accounts of this company has been borne and not recharged by another group company. Fees for other audit services provided were £16,800 (2012: £28,800).

4. Information regarding directors and employees

Staff costs excluding directors are as follows:

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Wages and salaries	11,181	11,239
Social security costs	1,155	1,244
Pension cost	640	632
	<u>12,976</u>	<u>13,115</u>

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

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Production and editorial	191	178
Selling and distribution	104	99
Administration	3	26
	<u>298</u>	<u>303</u>

The above average weekly number of employees excludes 40 (2012: 32) casual workers due to the impracticality of determining regular and occasional workers.

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Notes to the financial statements for the 52 weeks ended 29 December 2013

4. Information regarding directors and employees (continued)

Directors' emoluments

The directors received no remuneration in respect of services to the company (2012: £78,000)

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Emoluments	-	67
Pension contributions	-	11
	-	78

Pensions

The company contributes to the Trinity Mirror Pension Plan, a defined contribution scheme. Contributions to the Trinity Mirror Pension plan for the 52 weeks ended 29 December 2013 were £632,000 (2012: £640,000). At 29 December 2013 there were no outstanding or prepaid contributions (2012: £nil).

In prior periods, the company contributed to the MGN Pension Scheme, a defined benefit scheme. The Trinity Mirror plc group announced closure of its defined benefit schemes to future accrual from 31 March 2010. The MGN Pension Scheme provides benefits based on final pensionable pay and is set up under a trust, which holds the financial assets of the scheme separately from the company. The financial statements of the ultimate parent company, Trinity Mirror plc, contain full disclosure details of the scheme.

The pension costs of this scheme are assessed across its membership as a whole, and it is not possible to determine the share of the scheme's assets and liabilities that relates to MGN Limited. Accordingly, the requirements of Financial Reporting Standard 17, "Retirement Benefits", relating to multi-employer schemes apply and the company accounts for the scheme as if it were a defined contribution scheme.

The last formal actuarial valuation of the MGN Pension Scheme was prepared as at 31 December 2010 and showed a deficit of £66.8 million. The following assumptions were used:

Pension increases (pre 1997)	3.00% pa
Pension increases (post 1997)	3.50% pa
Inflation rate - RPI	3.50% pa
CPI	2.70% pa

Agreements have been reached with the trustees of the defined benefit pension schemes for annual deficit funding payments to be made. These deficit funding payments for each scheme are borne and not recharged by the respective sponsoring entity in the Trinity Mirror plc group.

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Notes to the financial statements for the 52 weeks ended 29 December 2013

5. Tax on profit on ordinary activities

	52 weeks ended 29 December 2013 £'000	52 weeks ended 30 December 2012 £'000
Profit on ordinary activities before taxation	<u>11,896</u>	<u>13,151</u>
Current tax:		
Corporation tax charge for the period	2,937	3,370
Prior period adjustment	-	(132)
Deferred tax:		
Deferred tax charge for the period	(116)	(114)
Prior period adjustment	-	86
Deferred tax rate charge	<u>20</u>	<u>4</u>
Tax charge in the period	<u><u>2,841</u></u>	<u><u>3,214</u></u>

The standard rate of corporation tax reduced from 24% to 23% on 1 April 2013. The blended rate for the accounting year is 23.25% being a mix of 24% up to 31 March 2013 and 23% from 1 April 2013 (2012: 24.5% being a mix of 26% up to 31 March 2012 and 24% from 1 April 2012).

The opening deferred tax position is recalculated in the period in which a change in the standard rate of corporation tax is substantively enacted by parliament.

The change in rate from 23% to 20% (2012: from 25% to 23%) has been accounted for in the period resulting in a charge to the profit and loss account of £20,000 (2012: £4,000).

Reconciliation of current tax charge

The actual rate of current tax for the period is more than 23.25 % (2012: was less than 24.5%) for the reasons set out in the following reconciliation:

	52 weeks ended 29 December 2013 %	52 weeks ended 30 December 2012 %
UK effective rate of corporation tax	23.3	24.5
Expenses not deductible for tax purposes	0.3	0.1
Timing differences in respect of fixed assets	1.1	0.1
Prior period adjustment	-	(0.3)
Actual rate of current tax for the period	<u><u>24.7</u></u>	<u><u>24.4</u></u>

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Notes to the financial statements for the 52 weeks ended 29 December 2013

6. Intangible fixed assets

Intangible assets of £137,000 have been written off in the period.

7. Tangible fixed assets

	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost			
At beginning of the period	11,486	1,390	12,876
Write-off of assets	(5,622)	(1,145)	(6,767)
At end of the period	<u>5,864</u>	<u>245</u>	<u>6,109</u>
Depreciation			
At beginning of the period	9,094	1,293	10,387
Charge for the period	1,138	24	1,162
Write-off of assets	(5,622)	(1,145)	(6,767)
At end of the period	<u>4,610</u>	<u>172</u>	<u>4,782</u>
Net book value			
At end of the period	<u>1,254</u>	<u>73</u>	<u>1,327</u>
At beginning of the period	<u>2,392</u>	<u>97</u>	<u>2,489</u>

8. Investments in subsidiary undertakings

	Investments in subsidiary undertakings £'000
Cost	
At beginning and end of the period	<u>25,418</u>
Provision for impairment	
At beginning of the period	6,895
Impairment	2
At end of the period	<u>6,897</u>
Net book value	
At end of the period	<u>18,521</u>
At beginning of the period	<u>18,523</u>

The investment impairment review compared carrying value to the expected future discounted cash flows using a pre-tax discount rate of 14.2% (2012: 9.4%). The increase in the pre-tax discount rate is driven by changes in the market expectations of the capital structure and the cost of debt and equity for the print media sector. The growth rates for the next three years are internal projections based on both internal and external market information and reflect past experience of and the risk associated with each asset. The growth rate for the cash flow projections beyond the next three years is 0% due to the maturity of the print media sector market.

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Notes to the financial statements for the 52 weeks ended 29 December 2013

8. Investments in subsidiary undertakings (continued)

The principal subsidiary undertakings of the company at 29 December 2013 are as follows:

Company	Principal activity	% holding of ordinary share capital	Country of registration and principal operation
First Press Publishing Limited	Dormant	100	Scotland
Insider Publications Limited	Dormant	100	Scotland
Metropolitan Free Newspapers Limited	Holding company	100	Scotland
Saltire Press Limited	Dormant	100	Scotland
Newsday Limited	Dormant	100	Scotland
Scotfree Limited	Dormant	100	Scotland

9. Investments in associated undertakings

	Investments in associated undertakings
Cost and net book value	
At beginning and end of the period	<u>20</u>

The principal associated undertakings of the company at 29 December 2013 are as follows:

Company	Principal activity	% holding of ordinary share capital	Country of registration and principal operation
PA Group Limited	News agency	1.00	England and Wales

10. Debtors

	29 December 2013 £'000	30 December 2012 £'000
Amounts owed by fellow subsidiaries	84,225	73,260
Deferred tax asset	<u>253</u>	<u>157</u>
	<u>84,478</u>	<u>73,417</u>

The movement in the deferred tax asset was as follows:

	29 December 2013 £'000	30 December 2012 £'000
At beginning of the period	157	133
Deferred tax rate change	(20)	(4)
Current period tax charge	116	114
Prior period adjustment	<u>-</u>	<u>(86)</u>
At end of the period	<u>253</u>	<u>157</u>

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Notes to the financial statements for the 52 weeks ended 29 December 2013

10. Debtors (continued)

The amounts provided in the accounts are as follows:

	29 December 2013 £'000	30 December 2012 £'000
Timing differences in respect of fixed assets	247	146
Share-based payments	6	11
	<u>253</u>	<u>157</u>

The opening deferred tax position is recalculated in the period in which a change in the standard rate of corporation tax is enacted or substantively enacted by parliament.

11. Creditors: amounts falling due within one year

	29 December 2013 £'000	30 December 2012 £'000
Corporation tax payable	1,468	1,685
	<u>1,468</u>	<u>1,685</u>

12. Provisions for liabilities

	Share-based payments £'000
At beginning of the period	56
Utilised in year	(19)
At end of the period	<u>37</u>

The share-based payments provision relates to National Insurance obligations attached to the future crystallisation of awards.

13. Called up share capital

	29 December 2013 £'000	30 December 2012 £'000
Called up, allotted and fully paid:		
1,022,084 (2012: 1,022,084) ordinary shares of £1 each	<u>1,022</u>	<u>1,022</u>

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Notes to the financial statements for the 52 weeks ended 29 December 2013

14. Reserves

	Share premium account £'000	Profit and loss £'000	Total £'000
At beginning of the period	18	92,871	92,889
Retained profit for the period	-	9,055	9,055
At end of the period	<u>18</u>	<u>101,926</u>	<u>101,944</u>

15. Operating lease commitments

The company had annual commitments under operating leases as follows:

	Land and buildings	
	29 December 2013 £'000	30 December 2012 £'000
Operating leases which expire: After five years	<u>1,485</u>	<u>1,485</u>

16. Contingent liabilities

The company, together with certain of its fellow subsidiaries in the United Kingdom, has guaranteed the loans (including loan notes issued through the US private placement market) and bank overdraft of the ultimate parent company with certain of the group's bankers. At 29 December 2013 this amounted to £105.6 million (2012: £157.3 million).

17. Ultimate parent company and immediate parent company

In the opinion of the directors, the company's ultimate parent company and controlling entity at 29 December 2013 was Trinity Mirror plc, a company incorporated and registered in England and Wales. Trinity Mirror plc is the parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements are available from its registered office at One Canada Square, Canary Wharf, London E14 5AP.

The company's immediate parent undertaking at 29 December 2013 was MGL2 Limited, a company registered in England and Wales.

18. 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 other entities that are wholly owned of the group. The address at which the group consolidated financial statements are publicly available is shown in note 17.