

# **Radio Luxembourg (London) Ltd**

**Registered Number: 500045**

**Directors' report and financial statements  
for the year ended 31 December 2005**



# **Radio Luxembourg (London) Ltd**

## **Directors' report for the year ended 31 December 2005**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

### **Principal activity**

The company has not traded during the year.

### **Review of business and future developments**

The result for the year is in line with the expectations of the directors. It is anticipated that the company will become dormant in 2006.

### **Results and dividends**

The company's profit for the financial year was £1,418 (2004: loss £2,532). The directors do not recommend the payment of a dividend (2004: £nil). The profit for the year has been transferred to reserves.

### **Directors and their interests**

The directors who held office during the year and up to the date of this report are outlined below:-

SFH Tingay

R Grant

PM Brown (resigned 11 October 2005)

AJ Hill (appointed 23 November 2005)

At no time during the year ended 31 December 2005 did any director have any interest which is required to be notified to the company under Section 324 of the Companies Act 1985.

# Radio Luxembourg (London) Ltd

## Directors' report for the year ended 31 December 2005 (Continued)

### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

### Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. In accordance with the Companies Act 1985, the company has elected to dispense with the obligation to hold an annual general meeting and the requirement to reappoint annually the registered auditors of the company.

By Order of the Board



H L Farnaby  
Secretary

1 Stephen Street  
London  
W1T 1AL

7 April 2006

## **Independent auditors' report to the members of Radio Luxembourg (London) Ltd**

We have audited the financial statements of Radio Luxembourg (London) Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 to you 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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.

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
London

7 April 2006

## Radio Luxembourg (London) Ltd

### Profit and loss account for the year ended 31 December 2005

	<i>Note</i>	2005 £'000	2004 £'000
Administrative expenses		-	(3)
Other operating income	3	6	-
<b>Profit/(loss) on ordinary activities before interest &amp; taxation</b>	4	6	(3)
Interest payable and similar charges	6	(4)	-
<b>Profit/(loss) on ordinary activities before tax</b>		2	(3)
Tax on profit/(loss) on ordinary activities	7	-	-
<b>Retained profit/(loss) for the financial year</b>	11	2	(3)

The above results were derived entirely from discontinued operations.

The company has no recognised gains or losses during the year other than those reflected in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the result as reported and its historical cost equivalent.

# Radio Luxembourg (London) Ltd

## Balance sheet as at 31 December 2005

	Note	2005 £'000	2004 £'000
<b>Current assets</b>			
Cash at bank and in hand		-	96
			96
<b>Creditors – amounts falling due within one year</b>	8	-	(98)
Total assets less current liabilities		-	(98)
<b>Net Assets/(liabilities)</b>		-	(2)
<b>Capital and reserves</b>			
Called up share capital	9	683	683
Profit and loss account	10	(683)	(685)
<b>Equity shareholders' funds/(deficit)</b>	11	-	(2)

The financial statements on pages 4 to 8 were approved by the board of directors on  
1 April 2006 and signed on its behalf by:



R Grant  
Director

# **Radio Luxembourg (London) Ltd**

## **Notes to the financial statements for the year ended 31 December 2005**

### **1 Accounting policies**

#### **a) Basis of preparation**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below.

#### **b) Foreign currencies**

Transactions denominated in foreign currencies during the period are translated at rates ruling at the dates of the transactions. At the balance sheet date all monetary assets and liabilities denominated in foreign currencies are translated at period end rates. Exchange gains and losses are taken to the profit and loss account.

#### **c) Deferred taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision is made for deferred taxation resulting from timing differences computed for taxation purposes and profits stated in the financial statements to the extent that there is an obligation to pay more tax in the future as a result of the reversal of those timing differences. Deferred tax assets are recognised to the extent that they are expected to be recoverable.

### **2 Cashflow and related party disclosures**

The company is a wholly owned subsidiary of the RTL Group and is included in the consolidated financial statements of the RTL Group which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996). The company is also exempt under the terms of Financial Reporting Standard 8, Related Party Disclosures, from disclosing related party transactions with members of the RTL Group.

### **3 Other operating income**

Other operating income represents income generated from the waiver of an inter-company balance.

### **4 Profit/(loss) on ordinary activities before interest and taxation**

In 2005 auditor's remuneration was borne by CLT UFA UK Television Limited. In 2004 auditor's remuneration was borne by FremantleMedia Group Limited, a fellow subsidiary company.

# Radio Luxembourg (London) Ltd

## Notes to the financial statements for the year ended 31 December 2005

(Continued)

### 5 Directors' emoluments and employee information

None of the directors received any fees or emoluments in respect of their services to the company during the year ended 31 December 2005 (2004: £nil). The company had no employees during the year ended 31 December 2005 (2004: nil).

### 6 Interest payable & similar charges

	2005 £'000	2004 £'000
Interest payable on loan to group undertaking	4	-

### 7 Tax on profit/(loss) on ordinary activities

a) There are no current or deferred tax balances in either period.

b) Factors affecting tax charge/(credit) for period

The tax for the period differs from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005 £'000	2004 £'000
Profit/(loss) on ordinary activities before tax	2	(3)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 : 30%)	1	(1)
Effects of:		
Waiver of inter-company balance	2	-
Group relief surrendered for no payment	(3)	1
Current tax charge/(credit) for period (note 7(a))	-	-

### 8 Creditors - amounts falling due within one year

	2005 £'000	2004 £'000
Amounts owed to group undertakings	-	98

Amounts owed to group undertakings are unsecured, accrued interest at 5% (2004: 0%) and repayable on demand.



# Radio Luxembourg (London) Ltd

## Notes to the financial statements for the year ended 31 December 2005

(Continued)

### 9 Share capital

	2005 £'000	2004 £'000
<b>Authorised:</b>		
1,366,000 (2004:1,366,000) ordinary shares of £0.50 each	683	683
<b>Allotted, called up and fully paid:</b>		
1,366,000 (2004:1,366,000) ordinary shares of £0.50 each	683	683

### 10 Profit and loss account

	£'000
Profit and loss account at 1 January 2005	(685)
Profit for the period	2
Profit and loss account at 31 December 2005	(683)

### 11 Reconciliation of movements in equity shareholders' funds

	2005 £'000	2004 £'000
Retained profit/(loss) for the period	2	(3)
Net addition/(reduction) to equity shareholders' funds	2	(3)
Equity shareholders' funds/(deficit) as at 1 January	(2)	1
Equity shareholders' funds/(deficit) as at 31 December	-	(2)

### 12 Ultimate parent undertaking

The immediate parent undertaking is CLT-UFA SA, a company registered in Luxembourg.

The smallest group to consolidate these accounts is RTL Group, a company registered in Luxembourg. Copies of the RTL Group accounts can be obtained from the General Counsel at RTL Group, 45 Boulevard Pierre Frieden, L-1543 Luxembourg.

The ultimate parent undertaking and controlling party is Bertelsmann AG, a company registered in Germany, which is the largest group to consolidate these accounts.