

**EMAP Radio Limited**

**(Formerly Trans World Communications PLC)**

**Directors Report And Financial Statements**

**For the Fifteen Months Ended 31st March 1995**

**(Registered In England And Wales, No: 1394141)**



**EMAP Radio Limited**

**DIRECTORS AND ADVISORS**

**CHAIRMAN**

R W Miller

**MANAGING DIRECTOR**

T R Schoonmaker

**OTHER DIRECTORS**

P M Firth (Appointed 19th August 1994)

D Grigson (Appointed 19th August 1994)

P J Seddon (Appointed 19th August 1994)

**SECRETARY**

D K Walmsley

**REGISTERED OFFICE**

1 Lincoln Court  
Lincoln Road  
Peterborough  
PE1 2RF

**AUDITORS**

Ernst & Young  
Commercial Union House  
Albert Square  
Manchester  
M2 6ZP

**BANKERS**

Barclays Bank PLC  
Peterborough Business Centre  
PO Box 294  
1 Church Street  
Peterborough  
PE1 1EZ

## **EMAP Radio Limited**

### **DIRECTORS' REPORT**

The directors submit their report and accounts for the fifteen months ended 31st March 1995.

### **RESULTS AND DIVIDENDS**

The profit on ordinary activities after tax amounted to £900,000 (1993: £1079,000). The directors do not recommend the payment of a dividend (1993: £507,000).

### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The companies principal activity is that of an investment company, holding shares. No change in the companies operations is envisaged in the immediate future.

### **CHANGE OF OWNERSHIP**

The company together with its subsidiary undertakings was acquired by EMAP plc on 16th August 1994.

### **CHANGE OF NAME**

On 3rd March 1995 the company was deregistered as a public limited company and changed its name from Trans World Communications PLC to EMAP Radio Limited.

### **FIXED ASSET INVESTMENTS**

Changes in fixed assets during the period are summarised in notes 8 and 9 to the accounts.

### **EMPLOYEE INVOLVEMENT**

The ultimate parent company, EMAP plc, operates for its eligible staff an Approved Profit-Sharing Scheme, an Approved Savings Related Share Option Scheme and, by invitation only, an Approved Executive Share option Scheme.

Since 1985, options have been granted annually in the Savings Related Schemes at prices between 81.5p and 316.3p. The normal exercise dates for these options extend to 2002.

Since 1986, options have been granted annually, with the exception of 1990, in the Executive Option Scheme at prices between 109.8p and 394.7p. The normal exercise dates for these options extend to 2004.

## EMAP Radio Limited

### DIRECTORS' REPORT

#### DIRECTORS AND THEIR INTERESTS

The Directors at the date of this report are shown on page 1. All of these served throughout the period except P M Firth, D Grigson, and P J Seddon who were appointed on 19th August 1994.

Other Directors who served in the period are set out below:

The Rt Hon The Lord Colnbrook	(Resigned on 25th August 1994)
M J Connolly	(Resigned on 19th August 1994)
A J Dewhurst	(Resigned on 19th August 1994)
N H Jones	(Resigned on 19th August 1994)
S Porter	(Resigned on 27th September 1994)
R M Walker	(Resigned on 19th August 1994)
J N B Whitney	(Resigned on 25th August 1994)

The directors' interests in the Ordinary Shares of EMAP plc at 31st March 1995 and 31st December 1993 were as follows:-

	As at 31st March 1995	As at 31 December 1993 or subsequent date of appointment
Issued		
T R Schoonmaker	27,855	24,678
P Firth	3,277	4,493

	As at 31 March 1995 No	Granted during the year No	Exercised during the year No	As at 31 December 1993 or subsequent date of appointment
Options				
T R Schoonmaker	49,320	10,567	-	38,753
P J Seddon	5,453	5,453	-	-
P Firth	42,271	610	-	41,661

**EMAP Radio Limited**

**DIRECTORS' REPORT**

**DIRECTORS AND THEIR INTERESTS**

R W Miller and D Grigson are Directors of the parent company Emap plc and their interests in the share capital of the parent company is shown in that company's accounts.

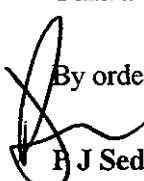
**CLOSE COMPANY**

The company is not a close company within the provisions of the Income and Corporation Taxes Act 1988.

**AUDITORS**

The Company was acquired on 16th August 1994 by EMAP plc, resulting in the resignation of, KPMG as Auditors. Ernst & Young were appointed to fill the casual vacancy until the forthcoming Annual General Meeting, when Price Waterhouse will be appointed.

By order of the Board



P J Seddon  
Director

26th January 1996

## **EMAP Radio Limited**

### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, 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, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 accounts comply with the Companies Act. 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.

## **ERNST & YOUNG**

### **REPORT OF THE AUDITORS** **TO THE MEMBERS OF EMAP RADIO LIMITED**

We have audited the accounts on pages 7 to 18, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 9 and 10.

#### **Respective responsibilities of directors and auditors**

As described on page 5 the companies directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those Accounts and to report our opinion to you.

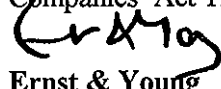
#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the companies 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 accounts 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 accounts.

#### **Opinion**

In our opinion the accounts give a true and fair view of the state of the companies affairs at 31 March 1995 and of its profit for the period, then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Chartered Accountants  
Registered Auditor  
Manchester

26th January 1996

**EMAP Radio Limited****PROFIT AND LOSS ACCOUNT****for the 15 month period ended 31 March 1995**

	Notes	15 Months Ended 31 March 1995 £000	12 Months Ended 31 December 1993 £000
<b>TURNOVER</b>	2	1,324	917
Staff costs	3	(788)	(544)
Depreciation		(47)	(24)
Other operating charges		(950)	(518)
<b>OPERATING LOSS</b>	4	(461)	(169)
Dividend Income Received from Subsidiaries		1,069	1,141
Write back of provision against investments		-	110
Profit on disposal of investments		-	17
Interest receivable	5	278	120
Interest payable and similar charges	6	(83)	(27)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		803	1,192
Tax on profit on ordinary activities	7	97	(113)
<b>Profit on ordinary activities after taxation</b>		900	1,079
Dividends		-	(507)
<b>Retained profit for the period</b>	15	900	572
Retained profit brought forward	15	1,298	726
<b>Retained profit carried forward</b>	15	2,198	1,298

**RECOGNISED GAINS AND LOSSES**


There were no recognised gains or losses other than the profit attributable to shareholders of £900,000 in the period ended 31st March 1995 and the profit of £1079,000 in the year ended 31st December 1993.



**EMAP Radio Limited****BALANCE SHEET**  
**as at 31 March 1995**

	Notes	31 March 1995 £000	31 December 1993 £000
<b>FIXED ASSETS</b>			
Tangible assets	8	65	80
Investments	9	17,663	17,555
		<hr/> 17,728	<hr/> 17,635
<b>CURRENT ASSETS</b>			
Debtors	10	1,350	267
Investments	9	104	110
Cash at bank and in hand		3,632	2,196
		<hr/> 5,086	<hr/> 2,573
<b>CREDITORS: amounts falling due within one year</b>	11	(5,709)	(4,113)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(623)	(1,540)
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		17,105	16,095
<b>CREDITORS: Amounts falling due after more than one year</b>	12	(194)	(225)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>			
Deferred Tax	13	(7)	-
		<hr/> 16,904	<hr/> 15,870
<b>CAPITAL AND RESERVES:</b>			
Called up share capital	14	3,926	3,902
Share premium account	15	10,780	10,670
Profit and loss account	15	2,198	1,298
		<hr/> 16,904	<hr/> 15,870
		<hr/>	<hr/>

These accounts were approved by the board of directors on 26th January 1996 and were signed on their behalf by:

 P J Seddon - Director

**EMAP Radio Limited**

**NOTES TO THE ACCOUNTS**

**for the 15 month period ended 31 March 1995**

**1. ACCOUNTING POLICIES**

**a. ACCOUNTING STANDARDS**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**b. CONSOLIDATION**

Group accounts have not been prepared due to the exemptions conferred by Section 228(1) of the Companies Act 1985.

**c. DEFERRED TAXATION**

Provision is made using the liability method in respect of the taxation effect of all material timing differences to the extent that it is probable that the liability will crystallise in the foreseeable future. The provision is made at the rate at which it is estimated the tax will be paid.

**d. DEPRECIATION**

Depreciation is provided on a straight line basis on the cost or valuation of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The estimated useful lives are as follows:

Equipment and motor vehicles	25% straight line
------------------------------	-------------------

**e. OPERATING LEASES**

Rentals payable under operating lease agreements are charged to the profit and loss account as incurred.

**f. FINANCE LEASE AND HIRE PURCHASE**

Assets acquired under finance lease or hire purchase contracts are capitalised at the equivalent cash value. Where not invoiced separately, interest is charged to the profit and loss account on a straight line basis over the life of the contract.

## EMAP Radio Limited

### NOTES TO THE ACCOUNTS

for the 15 month period ended 31 March 1995

#### ACCOUNTING POLICIES (CONTINUED)

##### g. PENSIONS

Pensions are funded by way of annual contributions to defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charged represents contributions payable by the company to the fund and is disclosed in note 3.

##### h. CASH FLOW STATEMENT

No cash flow statement has been presented as the Company is a wholly-owned subsidiary undertaking of Emap plc whose consolidated financial statements include a consolidated cash flow statement dealing with the cash flows of the Group.

#### 2. TURNOVER

Turnover represents the invoiced value of management charges and other income from related services, all stated net of value added tax. All turnover is within the United Kingdom.

#### 3. EMPLOYEES AND DIRECTORS

The average number of employees, including non-executive directors, during the period was as follows:

	15 Months Ended 31 March 1995 Number	12 Months Ended 31 December 1993 Number
Broadcasting operations	15	15
	_____	_____
The aggregate payroll costs of these persons were as follows:		
	£000	£000
Wages and salaries	557	479
Social security costs	44	42
Pension costs	27	23
Termination payments	160	-
	_____	_____
	788	544
	_____	_____

**EMAP Radio Limited**

**NOTES TO THE ACCOUNTS**

**for the 15 month period ended 31 March 1995**

**3. EMPLOYEES AND DIRECTORS (CONTINUED)**

	<b>15 Months Ended 31 March 1995 £000</b>	<b>12 Months Ended 31 December 1993 £000</b>
Directors' emoluments including pension contributions and benefits . . .	239	315
Compensation for loss of office	160	-
Directors' emoluments, excluding pension contributions, includes amounts paid to:		
Chairman	5	60
Highest paid director	59	84

The emoluments of the Directors excluding pension scheme contributions fell within the following bands:

	<b>Number of Directors</b>	
	<b>1995</b>	<b>1993</b>
£nil - £5,000	5	-
£5,001 - £10,000	3	4
£15,001 - £20,000	1	1
£40,001 - £45,000	1	-
£55,001 - £60,000	1	1
£75,001 - £80,000	-	1
£85,001 - £90,000 . . .	-	1
£95,001 - £100,000	-	1
£240,001 - £245,000	1	-

**EMAP Radio Limited**

**NOTES TO THE ACCOUNTS**

**for the 15 month period ended 31 March 1995**

**4. OPERATING LOSS**

Operating loss is stated after charging the following:

	<b>15 Months Ended 31 March 1995 £000</b>	<b>12 Months Ended 31 December 1993 £000</b>
Compensation for loss of office	160	-
Defence costs	545	-
Operating lease rentals - plant and machinery	3	4
Auditors remuneration: - audit	2	5
- non audit	2	4

**5. INTEREST RECEIVABLE**

	<b>15 Months Ended 31 March 1995 £000</b>	<b>12 Months Ended 31 December 1993 £000</b>
On Group balances	-	12
Bank interest	277	105
Other	1	3
	<hr/>	<hr/>
	278	120
	<hr/>	<hr/>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>15 Months Ended 31 March 1995 £000</b>	<b>12 Months Ended 31 December 1993 £000</b>
On Group balances	82	25
On hire purchase agreements	-	1
Other	1	1
	<hr/>	<hr/>
	83	27
	<hr/>	<hr/>

**EMAP Radio Limited****NOTES TO THE ACCOUNTS****for the 15 month period ended 31 March 1995****7. CORPORATION TAX**

The tax (credit)/charge comprises:

	<b>15 Months Ended 31 March 1995 £000</b>	<b>12 Months Ended 31 December 1993 £000</b>
Corporation tax on the taxable profit for the period at the rate of 33% (1993: 33%)	85	113
Adjustments relating to prior years	(189)	-
Deferred tax	7	-
	<hr/>	<hr/>
	(97)	113
	<hr/>	<hr/>

**8. TANGIBLE ASSETS**

	<b>Equipment &amp; Motor Vehicles £000</b>
<b>Cost</b>	
At 1st January 1994	148
Additions	49
Intra-group transfers	(3)
Disposals	(59)
	<hr/>
At 31st March 1995	135
	<hr/>
<b>Depreciation</b>	
At 1st January 1994	68
Charge for the period	47
Intra-group transfers	(3)
Disposals	(42)
	<hr/>
At 31st March 1995	70
	<hr/>
<b>Net book value</b>	
At 31st March 1995	65
	<hr/>
At 1st January 1994	80
	<hr/>

## EMAP Radio Limited

### NOTES TO THE ACCOUNTS

for the 15 month period ended 31 March 1995

#### 9. INVESTMENTS

##### (a) Fixed asset investments

Investments in the ordinary share capital of wholly owned subsidiary companies registered in England and Wales. All of the subsidiary companies are involved in Radio Broadcasting, except for Radio Radio Limited and Rusmund Limited which are dormant companies.

	31 March 1995 £000	31 December 1993 £000
Red Rose Radio PLC	559	559
Piccadilly Radio Limited	15,150	15,150
West Yorkshire Broadcasting PLC	1,015	907
Cardiff Broadcasting Company PLC	219	219
Radio Radio Limited	8	8
Rusmund Limited	212	212
	<hr/>	<hr/>
	17,163	17,055
Investment in shares in unlisted shares	500	500
	<hr/>	<hr/>
	17,663	17,555
	<hr/>	<hr/>

During the period the company acquired the outstanding minority interest in West Yorkshire Broadcasting for a total cost of £108,000.

The investment in unlisted shares relates to an investment in Radiopapers Limited, a company registered in England and Wales. This investment comprises 5,000,000 5% redeemable cumulative preference shares of 10 pence each, representing the whole of that class of share in issue. The company has the benefit of a put option granted by Mr O J Oyston exercisable no later than 30th June, 1996 at par plus any unpaid dividends.

**EMAP Radio Limited**

**NOTES TO THE ACCOUNTS**

**for the 15 month period ended 31 March 1995**

**9. INVESTMENTS (CONTINUED)**

**(b) Current asset investments**

Investment in the ordinary share capital of Broadcast Marketing Services Limited. The company holds 50% of the ordinary share capital of Broadcast Marketing Services Limited a dormant company registered in England and Wales.

	<b>15 Month Period Ended 31 March 1995</b>	<b>12 Month Period Ended 31 March 1993</b>
Opening Balance	110	-
Write back of provision	-	110
Provision	(6)	-
	<hr/>	<hr/>
Closing Balance	104	110
	<hr/>	<hr/>
<b>10. DEBTORS</b>	<b>31 March 1995 £000</b>	<b>31 December 1993 £000</b>
Trade debtors	-	51
Amounts owed by parent and fellow subsidiary undertakings	53	116
Amounts owed by subsidiary undertakings	1,152	-
Other debtors	143	53
Prepayments	2	47
	<hr/>	<hr/>
	1,350	267
	<hr/>	<hr/>

Amounts owed by parent and subsidiary undertakings are receivable on demand. There is no interest chargeable and there are no repayment terms therefore these amounts have been included within current assets.



**EMAP Radio Limited**

**NOTES TO THE ACCOUNTS**  
**for the 15 month period ended 31 March 1995**

**11. CREDITORS: (Amounts falling due within one year)**

	<b>31 March 1995 £000</b>	<b>31 December 1993 £000</b>
Trade creditors	162	352
Amounts owed to subsidiary undertakings	4,690	2,817
Accruals and deferred income	530	370
Corporation tax	42	49
Other taxes and social security	35	30
Dividends proposed	-	390
Other creditors	250	105
	<hr/>	<hr/>
	5,709	4,113
	<hr/>	<hr/>

Amounts owed to subsidiary undertakings are repayable on demand. There is no interest chargeable and there are no repayment terms therefore these amounts have been classified as current liabilities.

**12. CREDITORS: (Amounts falling due after more than one year)**

	<b>31 March 1995 £000</b>	<b>31 December 1993 £000</b>
Provision for vacant building	194	225
	<hr/>	<hr/>

**13. DEFERRED TAXATION**

Deferred tax provided in the accounts is as follows:-

	<b>31 March 1995 £000</b>	<b>31 December 1993 £000</b>
Differences in recognising revenue and expense items in other periods for taxation purposes.	(7)	-
	<hr/>	<hr/>

**EMAP Radio Limited****NOTES TO THE ACCOUNTS****for the 15 month period ended 31 March 1995****14. SHARE CAPITAL**

	31 March 1995		31 December 1993	
	No.	£000	No.	£000
Authorised:				
Ordinary shares of 10p each	<u>52,500,000</u>	<u>5,250</u>	<u>52,500,000</u>	<u>5,250</u>
Allotted, called up and fully paid:				
Ordinary shares of 10p each	<u>39,259,597</u>	<u>3,926</u>	<u>39,020,456</u>	<u>3,902</u>

At 31 December 1993 a total of 239,141 ordinary share options, exercisable at 56p each from 3 to 10 years from 27 November, 1990 were outstanding under the executive share option scheme. All of the options were exercised during the period to 31 March 1995.

**15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES**

	Share Capital £000	Share Premium Account £000	Profit & Loss Account £000	Total £000
At 1 January 1993	3,902	10,670	726	15,298
Profit for the year	-	-	1,079	1,079
Dividends	-	-	(507)	(507)
At 31 December 1993	3,902	10,670	1,298	15,870
Allotment of shares	24	110	-	134
Profit for the period	-	-	900	900
At 31 March 1995	3,926	10,780	2,198	16,904

Shareholders' funds are attributable to equity shares.

## EMAP Radio Limited

### NOTES TO THE ACCOUNTS

for the 15 month period ended 31 March 1995

#### 16. FINANCIAL COMMITMENTS

##### (a) Capital Commitments

The Company had no capital commitments either authorised or contracted at 31 March 1995 and 31 December 1993.

##### (b) Revenue

Annual commitments in respect of non-cancellable operating lease payments are as follows:

	31 March 1995 £000	31 December 1993 £000
Property leases which expire: after five years	52	52
Other operating leases expiring:  within one year	1	1
between two and five years	-	3

#### 17. PENSION COSTS

The company participates in pension schemes operated by the EMAP Group. The two largest, one defined contribution, the other defined benefit - cover between them over 90% of total membership in all cases the assets of the schemes are held in separate trustee administered funds.

The total pension charge for the period amounted to £27,000 (1993: £126,000). The latest actuarial assessment of the main defined benefit scheme was 5th April 1994, further details of which can be found in the annual report and accounts of the parent undertaking EMAP plc.

#### 18. PARENT UNDERTAKING

The parent undertaking of the Group of undertaking for which Group accounts are drawn up and of which the company is a member is EMAP plc, registered in England and Wales. Copies of EMAP plc's accounts can be obtained from 1 Lincoln Court, Lincoln Road, Peterborough, PE1 2RF.