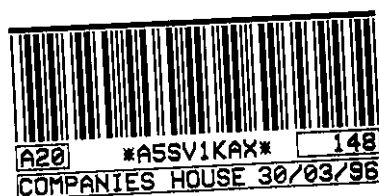


CLT UK Radio Limited

Directors' report and financial statements

31 December 1994

Registered number 1482586



CLT UK Radio Limited

Directors' report and financial statements

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CLT UK Radio Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1994.

Business review and principal activities

Over the period of 14 October 1994 to 31 December 1994 the company purchased 97.5% of the share capital of Country 1035 Limited, an active broadcasting company.

The company's other subsidiary CLT UK Sales Limited began to trade in August 1993. Its principal activity is selling radio airtime as agent for group companies. The company currently has one client and is seeking to build a client base. The profit on ordinary activities was £7,782 which has been transferred to reserves.

Directors and directors' interests

The directors who held office during the year were as follows:

G Thorn	(resigned 30 May 1994)
J Felten	(resigned 30 May 1994)
DJ O'Driscoll	
AT Baxter	(appointed 6 May 1994)
R Sautter	(appointed 7 June 1994)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company or of any other group company.

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board


DJ O'Driscoll
Secretary

74 Newman Street
London
W1P 3LA

31 January 1996

CLT UK Radio Limited

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 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, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Auditors' report to the members of CLT UK Radio Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 31 December 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

31 January 1996

CLT UK Radio Limited

Profit and loss account for the year ended 31 December 1994

	<i>Note</i>	1994 £	1993 £
Turnover		-	-
Administrative expenses		(524)	-
		<hr/>	<hr/>
Operating loss		(524)	-
Interest receivable		8,306	-
		<hr/>	<hr/>
Profit on ordinary activities before and after taxation retained for the year	2-4	7,782	-
		<hr/>	<hr/>

The results for the period all derive from continuing operations. There were no other recognised gains or losses for the year other than the results as disclosed above.

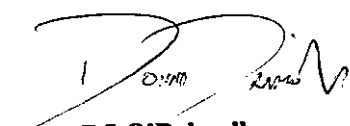
CLT UK Radio Limited

Balance sheet at 31 December 1994

	Note	£	1994 £	£	1993 £
Fixed assets					
Investments	5		<u>2,718,317</u>		<u>2</u>
Current assets					
Debtors	6	27,583		100	
Cash at bank		<u>266,981</u>		<u>-</u>	
			294,564	100	
Creditors: amounts falling due within one year	7	<u>(5,044)</u>		<u>(2)</u>	
Net current assets			<u>289,520</u>		<u>98</u>
Total assets less current liabilities			<u>3,007,837</u>		<u>100</u>
Creditors: amounts falling due after more than one year	8		<u>(2,999,955)</u>		<u>-</u>
			<u>7,882</u>		<u>100</u>
Capital and reserves					
Called up share capital	9		100		100
Capital reserve	10		47,054		47,054
Profit and loss account	10		<u>(39,272)</u>		<u>(47,054)</u>
Shareholders' funds - equity			<u>7,882</u>		<u>100</u>

These financial statements were approved by the board of directors on 31 January 1996
signed on its behalf by:

and were


DJ O'Driscoll
Director

CLT UK Radio Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt from the requirement of Financial Reporting Standard No.1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under Sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

The company is exempt under section 228 of the Companies Act 1985 from the obligation to prepare group accounts and to deliver them to the Registrar of Companies as it is a wholly owned subsidiary of the parent undertaking shown in note 10 which is established under the law of a member state of the European Union. These financial statements present information about the company as an individual undertaking and not about its group.

2 Profit on ordinary activities before and after taxation

Auditors' remuneration is borne by another group company.

3 Remuneration of directors

None of the directors received any emoluments (1993: £nil).

4 Staff numbers

No staff were employed by the company.

CLT UK Radio Limited

Notes (continued)

5 Fixed asset investments

			Shares in group undertakings £
<i>Shares</i>			
Cost			2
At 1 January 1994			2,718,315
Additions			<u>2,718,317</u>
At 31 December 1994			<u>2,718,317</u>
	Country of registration	Principal activity	Percentage of ordinary shares held
Subsidiary undertakings			
CLT UK Sales Limited	England	Sale as agent of advertising time for other group companies	100%
Country 1035 Limited	England	Country Music Radio Station	97½%
Arrow Broadcasting	England	Licence application company	40%
Weald FM Limited	England	Licence application company	100%

Since the year end, Weald FM Limited has changed its name to Black Country Broadcasting Limited.

CLT UK Radio Limited

Notes (continued)

6 Debtors

	1994	1993
	£	£
Amounts owed by parent and fellow subsidiary undertakings	3,190	-
Amounts owed by subsidiary undertakings	21,875	-
Called up share capital not paid	100	100
Prepayments and accrued income	2,418	-
	<u>27,583</u>	<u>100</u>

7 Creditors: amounts falling due within one year

	1994	1993
	£	£
Amounts owed to parent and fellow subsidiary undertakings	5,000	-
Amounts owed to subsidiary undertakings	44	2
	<u>5,044</u>	<u>2</u>

8 Creditors: amounts falling due after more than one year

	1994	1993
	£	£
Amounts owed to parent and fellow subsidiary undertakings	2,999,955	-
	<u>2,999,955</u>	<u>-</u>

CLT UK Radio Limited

Notes (continued)

9 Called up share capital

	1994 £	1993 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>10,000,000</u>	<u>100</u>
<i>Allotted and called up</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Fully paid</i>	<u>-</u>	<u>-</u>

On 29 April 1994, the company increased its authorised share capital to 10,000,000 ordinary shares of £1.

10 Reserves

	Capital reserve £	Profit and loss account £	Total £
At beginning of year	47,054	(47,054)	-
Transfers during the year	<u>-</u>	<u>7,782</u>	<u>7,782</u>
At end of year	<u>47,054</u>	<u>(39,272)</u>	<u>7,782</u>

11 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of the Compagnie Luxembourgeoise de Telediffusion SA which is the ultimate parent company, incorporated in the Grand Duchy of Luxembourg.

The largest and smallest group in which the results of the company are consolidated is that headed by Compagnie Luxembourgeoise de Telediffusion SA incorporated in the Grand Duchy of Luxembourg. The consolidated accounts of this group are available to the public and may be obtained from Mrs Christian Claude, The Compagnie Luxembourgeoise de Telediffusion SA, 45 Bvd, Pierre Frieden, Luxembourg BP 2850.