

EMAP Digital Radio Limited
Annual report
for the year ended 31 March 2001

Registered Number 1875591



EMAP Digital Radio Limited
Annual report
for the year ended 31 March 2001

Contents

Directors and Advisors for the year ended 31 March 2001	1
Directors' report for the year ended 31 March 2001	2
Auditors' report to the members of EMAP Digital Radio Limited	4
Profit and loss account for the year ended 31 March 2001	5
Balance sheet as at 31 March 2001	6
Accounting policies	7
Notes to the financial statements for the year ended 31 March 2001	8

EMAP Digital Radio Limited

Directors and Advisors for the year ended 31 March 2001

Directors

T R Schoonmaker
S Gregory
T Cockram
P A Roberts
S B Palmer

Secretary

D K Walmsley

Auditors

PricewaterhouseCoopers
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers

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

Registered Office

1 Lincoln Court
Lincoln Road
Peterborough
PE1 2RF

Registered Number

1875591

EMAP Digital Radio Limited

Directors' report for the year ended 31 March 2001

The directors present their report and the audited financial statements of the company for the year ended 31 March 2001.

Principal activities

The company is engaged in the operation of local digital radio multiplex under licence from the Radio Authority in Humberside, South Yorkshire, Tyne and Wear, Liverpool, Leeds, Teeside and Central Lancashire.

Results and dividends

The retained loss for the year amounted to £ 494,000 (2000: £Nil). The directors recommend the payment of a dividend of £82,000 (2000: Nil).

Directors and their interests

The current directors are given on page 1. No other directors held office during the year.

No director had any interest in the share capital of the company. The directors' interests in the ordinary shares of EMAP Plc at 31 March 2001 and 31 March 2000 were as follows:

	Ordinary shares in issue		Ordinary shares under option			Executive share plan under trust		
	At 1 April 2000	At 31 March 2001	At 1 April 2000	Granted in year	(Lapsed/ exercised) in year	At 31 March 2001	At 1 April 2000	At 31 March 2001
D K Walmsley	51,742	38,426	19,477	-	-	19,477	9,016	8,082
T Schoonmaker	36,292	36,194	2,015	861	(1,016)	1,860	18,511	17,915
T Cockram	392	392	878	-	-	878	-	-
P A Roberts	202	681	2,088	-	(479)	1,609	1,731	1,731
S Palmer	-	-	-	-	-	-	1,000	1,000

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 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. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2001 and that applicable accounting standards have been followed.


EMAP Digital Radio Limited

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 company has elected under section 386 of the Companies Act 1985 not to re-appoint auditors annually. Therefore the auditors PricewaterhouseCoopers, are deemed to be re-appointed for the next financial year.

By order of the Board

A handwritten signature in black ink, appearing to be 'T R Schoonmaker', with a long, sweeping horizontal stroke extending to the right.

T R Schoonmaker
12 October 2001

EMAP Digital Radio Limited

Auditors' report to the members of EMAP Digital Radio Limited

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on pages 2 and 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

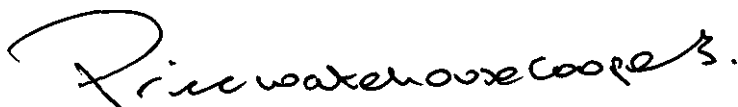
Basis of audit opinion

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 at 31 March 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Manchester
12 October 2001

EMAP Digital Radio Limited

Profit and loss account for the year ended 31 March 2001

	Notes	2001 £'000	2000 £'000
Turnover	2	298	-
Administrative expenses		(1,006)	-
Loss on ordinary activities before taxation	4	(708)	-
Tax on loss on ordinary activities	5	296	-
Loss after taxation		(412)	-
Dividends	6	(82)	-
Retained loss	12	(494)	-

There were no recognised gains or losses in the current or preceding year other than dealt with above.

All of the above activities relate to continuing operations.

The notes on pages 7 to 11 form part of these financial statements.

EMAP Digital Radio Limited

Balance sheet as at 31 March 2001

	Notes	2001 £'000	2000 £'000
Fixed assets			
Tangible assets	7	21	-
		21	-
Current assets			
Debtors	8	1,437	400
Creditors: amounts falling due within one year	9	(1,669)	(118)
Net current assets		(232)	282
Total assets less current liabilities		(211)	-
Provisions for liabilities and charges	10	(1)	-
Net assets		(212)	282
Capital and reserves			
Called up share capital	11	200	200
Profit and loss account	12	(412)	82
Equity shareholders funds	12	(212)	282

The financial statements on pages 5 to 11 were approved by the board of directors on 12 October 2001 and were signed on their behalf by:



T R Schoonmaker
Director

EMAP Digital Radio Limited

Accounting policies

Accounting standards

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

Consolidation

The company has not prepared consolidated accounts under the exemptions conferred by Section 228 (1) of the Companies Act 1985. EMAP plc a company registered in England and Wales, is the only member of the group which prepares group accounts which include the results of EMAP Performance Limited.

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.

Depreciation

Depreciation is provided on a straight line basis on the cost 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:

Short leasehold land and buildings	5 years
Equipment and motor vehicles	4 years

Operating leases

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

Pensions

Pensions are funded by way of annual contributions to defined 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.

Cash flow statement and related party transactions

No cash flow statement has been presented in accordance with the exemption permitted under Financial Reporting Standard 1 (Revised) as the company is a wholly-owned subsidiary of EMAP plc whose consolidated financial statements include a consolidated cash flow statement dealing with the cash flows of the Group. The company has taken advantage of the exemption within Financial Reporting Standard 8 not to disclose related party transactions with undertakings controlled within the Group.

EMAP Digital Radio Limited

Notes to the financial statements for the year ended 31 March 2001

1 Going Concern

The parent company has agreed to provide continuing financial support to enable the company to meet its liabilities as they fall due.

2 Turnover

Turnover represents the invoiced value of sales, net of value added tax and is attributable solely to the provision of services within the United Kingdom.

3 Employees and directors

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

	2001 Number	2000 Number
Administration	9	6

The aggregate payroll costs of these persons were as follows :

	£'000	£'000
Wages and salaries	26	-
Social security costs	2	-
Pension costs	1	-
	29	-

There are no directors' emoluments (2000: £ Nil).

4 Operating loss

Operating loss is stated after charging the following:

	2001 £'000	2000 £'000
Auditors' remuneration - audit	4	-
Depreciation on owned tangible assets	2	-

EMAP Digital Radio Limited

5 Tax

	2001 £'000	2000 £'000
Amount receivable from fellow subsidiaries in respect of group relief	297	-
Deferred tax	(1)	-
	296	-

6 Dividend

	2001 £'000	2000 £'000
Dividends	82	-

7 Tangible fixed assets

	Equipment and motor vehicles £'000	Total £'000
Cost		
At 1 April 2000	-	-
Additions	23	23
At 31 March 2001	23	23
Depreciation		
At 1 April	-	-
Charge for the year	2	2
At 31 March 2001	2	2
Net book value		
At 31 March 2001	21	21
At 31 March 2000	-	-

8 Debtors

	2001 £'000	2000 £'000
Trade debtors	207	-
Amounts owed by group undertakings	771	400
Prepayments and accrued income	459	-
	1,437	400

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

EMAP Digital Radio Limited

9 Creditors: amounts falling due within one year

	2001 £'000	2000 £'000
Amounts owed to group undertakings	1,573	118
Accruals and deferred income	96	-
	1,669	118

Amounts owed to group 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.

10 Deferred tax

Deferred tax provided in the financial statements is as follows:

	2001 £'000	2000 £'000
Excess of capital allowances over depreciation	1	-
	1	-

The movement on deferred tax is:

	£'000
At 1 April 2000	-
Charged to the profit and loss account	1
At 31 March 2001	1

11 Share capital

	2001		2000	
	Number	£'000	Number	£'000
Authorised				
Ordinary shares of £1 each	200,100	200	200,100	200
Allotted, called up and fully paid				
Ordinary shares of £1 each	200,100	200	200,100	200

EMAP Digital Radio Limited

12 Reconciliation of movements in shareholders' funds and movements on reserves

	Share Capital £'000	Profit and loss account £'000	Total £'000
Loss for the year		(412)	(412)
Dividends		(82)	(82)
Movement in equity shareholders' funds		(494)	(494)
Shareholders' funds at 1 April 2000	200	82	282
Shareholders' funds at 31 March 2001	200	(412)	(212)

13 Pensions

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 administered funds.

The latest actuarial assessment of the main defined benefit scheme was at 5th April 1997, further details of which can be found in the annual report and accounts of the parent undertaking EMAP plc.

14 Ultimate parent undertaking

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