

2339524

# **TIME FM 106.8 LIMITED**

## **REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31ST DECEMBER 2007**

MONDAY



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# **TIME FM 106.8 LIMITED**

## **REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31ST DECEMBER 2007**

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**TIME FM 106.8 LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31ST DECEMBER 2007**

COMPANY NUMBER	2339524
DIRECTORS	Dr A Lit Mr N Romain
SECRETARY	Ms S Daggar
REGISTERED OFFICE	Radio House Bridge Road SOUTHALL Middlesex UB2 4AT

**TIME FM 106.8 LIMITED**  
**REPORT OF THE DIRECTORS**  
**YEAR ENDED 31ST DECEMBER 2007**

The directors present their report with the audited financial statements of the company for the year ended 31st December 2007

**PRINCIPAL ACTIVITY**

The principal activity of the company continued to be that of on air broadcasting and promotion in the South East London area

**RESULTS**

The results of the company's trading are set out in the profit and loss account on page 4 and the related notes

**DIRECTORS**

The directors during the period under review were

Dr A Lit  
Mr N Romain

No director had any beneficial interest in the share capital of the company. The directors' interests in the share capital of the ultimate and immediate parent companies are disclosed in the financial statements of those companies

**DIRECTORS RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial period 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,
- 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 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 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, Messrs Jasan & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

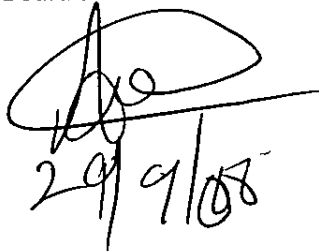
**SMALL COMPANY EXEMPTION**

In preparing this report, the board has taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies

By order of the Board :

Director

Dated



29/9/08

2008

# **TIME FM 106.8 LIMITED**

## **Report of the independent auditors**

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### **To the shareholders of Time FM 106.8 Limited**

We have audited the financial statements of Time FM 106.8 Limited for the year ended 31st December 2007 on pages 4 to 8 which have been prepared under the accounting policies set out on page 6

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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Auditing Standards are set out in the Statement of Directors' Responsibilities in the Directors Report on page 2

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards

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 transactions with the company 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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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

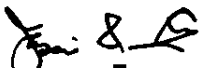
### **Fundamental Uncertainty - Going Concern**

In forming our opinion, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the uncertainty of the period over which it will continue to receive financial support to enable it to trade in the future as a going concern

In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2007 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

  
**Messrs Jasani & Co**  
Chartered Accountants  
and Registered Auditors

54 Dukes Wood Drive  
**GERRARDS CROSS**  
Buckinghamshire SL9 7LR

Dated : 29th September, 2008

**TIME FM 106.8 LIMITED****PROFIT & LOSS ACCOUNT****YEAR ENDED 31ST DECEMBER 2007**

	<b><u>Note</u></b>	<b>2007</b>	<b>2006</b>
		£	£
<b>TURNOVER</b>	1a	128,067	208,201
Administrative expenses		<u>(357,809)</u>	<u>(607,736)</u>
		(229,742)	(399,535)
Other operating income	2	<u>9,946</u>	<u>56,006</u>
<b>OPERATING LOSS</b>	3	(219,796)	(343,529)
Interest payable	6	( 731)	( 2,030)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(220,527)	(345,559)
Taxation on loss on ordinary activities	7	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(220,527)	(345,559)
Accumulated losses brought forward		<u>(4,083,219)</u>	<u>(3,737,660)</u>
<b>ACCUMULATED LOSSES CARRIED FORWARD</b>		<u>(4,303,746)</u>	<u>(4,083,219)</u>

# TIME FM 106.8 LIMITED

## BALANCE SHEET AT 31ST DECEMBER 2007

	Note	2007	2006
		£	£
<b>Fixed assets</b>			
Tangible assets	8	20,689	35,242
<b>Current assets</b>			
Debtors - due within 1 year	9	48,249	66,837
Cash at bank and in hand		228	228
		<u>48,477</u>	<u>67,065</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(26,100)</u>	<u>(53,278)</u>
<b>Net current assets</b>		<u>22,377</u>	<u>13,787</u>
<b>Total assets less current liabilities</b>		43,066	49,029
<b>Creditors: amounts falling due after more than one year</b>	11	<u>(1,092,571)</u>	<u>(878,007)</u>
		<u>(1,049,505)</u>	<u>(828,978)</u>
<b>Capital and reserves</b>			
Called up share capital	12	30,000	30,000
Share premium account		3,224,241	3,224,241
Profit and loss account		<u>(4,303,746)</u>	<u>(4,083,219)</u>
<b>Shareholders' deficit</b>	13	<u>(1,049,505)</u>	<u>(828,978)</u>

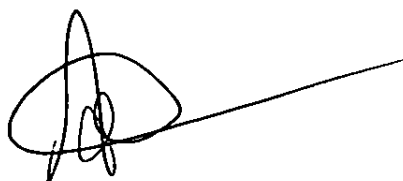
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on :

29/9/08

2008

Director



# TIME FM 106.8 LIMITED

## Notes to the accounts

For the year ended 31st December 2007

### 1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

#### Going concern

Although the company has managed to stem the losses, it has continued to be in an insolvent state of affairs. The company's continuity and future is therefore being underpinned and guaranteed by its holding company, Sunrise Radio Limited and its bankers.

The following principal accounting policies have been adopted by the company

#### a Turnover

Turnover represents sales to outside customers at invoiced amounts, excluding VAT and trade discounts

#### b Tangible fixed assets

Depreciation is provided on all tangible assets to write off their cost over their expected useful lives at the following rates -

Improvements to leasehold premises	10% per annum on a straight line basis
Studio equipment	20% pa on a straight line basis
Fixtures fittings & equipment	33 3% pa on a straight line basis
Motor vehicles	25% pa on a straight line basis

#### c Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

#### d Leased assets

The annual rentals for operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease

	2007 £	2006 £
<b>2 OTHER OPERATING INCOME</b>		
Sundry income (rentals)	2 092	20,467
Events income	7,854	35 539
	<u>9,946</u>	<u>56,006</u>
<b>3 OPERATING LOSS</b>		
The operating loss is stated after charging		
<i>Depreciation - tangible fixed assets</i>	14,553	32,229
<i>Auditors remuneration</i>	1,900	2,650
	<u>16,453</u>	<u>34,879</u>
<b>4 EMPLOYEES</b>		
Staff costs (including directors) consist of		
<i>Wages &amp; salaries</i>	95,396	204,686
<i>Social security costs</i>	8,628	21,514
	<u>104,024</u>	<u>226,200</u>
The average number of employees (including directors) during the year was 4 (2006 - 7)		
<b>5 DIRECTORS</b>		
Directors' remuneration consist of		
<i>Emoluments</i>	-	-

This disclosure does not include directors who receive their salaries from other group companies, of which they are also directors



# TIME FM 106.8 LIMITED

## Notes to the accounts

For the year ended 31st December 2007 (continued)

			<u>2007</u>	<u>2006</u>
			£	£
<b>6 INTEREST PAYABLE</b>				
Bank overdraft			<u>731</u>	<u>2030</u>
<b>7 TAXATION</b>				
Corporation tax on loss on ordinary activities			-	-
Due to tax losses sustained during the year, there is no charge to corporation tax				
<b>8 TANGIBLE FIXED ASSETS</b>				
	As at 01-Jan-07	Additions	Disposals	As at 31-Dec-07
<b>Cost</b>	£	£	£	£
Leasehold improvements	66,583	-	-	66,583
Studio equipment	135,634	-	-	135,634
Motor vehicles	59,698	-	-	59,698
	<u>261,915</u>	<u>-</u>	<u>-</u>	<u>261,915</u>
	As at 1-Jan-07	Charge for the year	Disposals	As at 31-Dec-07
<b>Depreciation</b>	£	£	£	£
Leasehold improvements	39,238	6,658	-	45,896
Studio equipment	135,633	-	-	135,633
Motor vehicles	51,802	7,895	-	59,697
	<u>226,673</u>	<u>14,553</u>	<u>-</u>	<u>241,226</u>
<b>Net book values</b>				
			As at 31/12/2006	As at 31/12/2007
			£	£
Improvement to leasehold property			27,345	20,687
Studio Equipment			1	1
Motor vehicles			7,896	1
			<u>35,242</u>	<u>20,689</u>
			<u>2007</u>	<u>2006</u>
			£	£
<b>9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				
Trade debtors			39,884	57,431
Others debtors & prepayments			<u>8,365</u>	<u>9,406</u>
			<u>48,249</u>	<u>66,837</u>
<b>10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				
Bank overdraft (secured)			623	4,638
Trade creditors			20,345	22,874
Other creditors & accruals			<u>5,132</u>	<u>25,766</u>
			<u>26,100</u>	<u>53,278</u>

There is a counter indemnity dated 11-10-2004 executed by Sunrise Radio Limited, Hayes Gate House Limited, Club Concorde Limited Easy Radio Limited, London Media Company Limited, Yarr Radio Limited, Time FM 106 8 Limited, Time FM 107 3 Limited, Tristar Broadcasting Limited and Time FM 107 5 Limited in respect of guarantee given by the bankers

# TIME FM 106.8 LIMITED

## Notes to the accounts

For the year ended 31st December 2007 (continued)

		<u>2007</u>	<u>2006</u>
		£	£
11	<b>CREDITORS. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
	<i>Amounts owed to group undertakings</i>	<u>1,092,571</u>	<u>878,007</u>

The Company will not be called upon by other group companies to repay the amount owed until such time when the Company becomes profitable

## 12 CALLED UP SHARE CAPITAL

### Authorised

Number	Class	Nominal Value	<u>2007</u>	<u>2006</u>
			£	£
30,000	Ordinary	£1	<u>30,000</u>	<u>30,000</u>

### Allotted, issued and fully paid :

Number	Class	Nominal Value		
30,000	Ordinary	£1	<u>30,000</u>	<u>30,000</u>

## 13 Reconciliation of movement in shareholders' funds

Loss for the year	(220,527)	(345,559)
<i>Opening shareholders' funds (deficit)</i>	<u>(828,978)</u>	<u>(483,419)</u>
<i>Closing shareholders' funds (deficit)</i>	<u>(1,049,505)</u>	<u>(828,978)</u>

## 14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Sunrise Radio Ltd on the grounds that at least 90% of the voting rights in the company are controlled within that group

## 15 HOLDING COMPANY

At 31 December 2007, the company's parent company was London Media Company Limited