

Kiss FM Radio Limited  
Annual report  
for the year ended 31 March 2001

**Registered Number 2378790**



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for the year ended 31 March 2001

Contents

Directors and Advisors .....	1
Directors' report for the year ended 31 March 2001 .....	2
Auditors' report to the members of Kiss FM 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

# **Kiss FM Radio Limited**

## **Directors and advisers for the year ended 31 March 2001**

### **Managing Directors**

M T Story

### **Other directors**

M A Cox

T R Schoonmaker

A K Roberts

Baroness S B Flather

P Hargreaves (appointed 11/9/00)

T D Smith (appointed 18/8/00)

P A Waterman (appointed 11/9/00)

### **Secretary**

D K Walmsley

### **Auditors**

PricewaterhouseCoopers

101 Barbirolli Square

Lower Mosley Street

Manchester

M2 3PW

### **Solicitors**

Field Fisher Waterhouse

41 Vine Street

London

EC3N 2AA

### **Bankers**

Barclays Bank plc

1 Church Street

Peterborough

PE1 1XE

### **Registered Office**

1 Lincoln Court

Lincoln Road

Peterborough

PE1 2RF

# Kiss FM Radio Limited

## Directors' report for the year ended 31 March 2001

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

### Principal activities

The company is engaged in the operation of independent radio stations in and around London under licence from the Radio Authority.

### Review of business and future developments

The operating profit for the year was £5,421,000 (2000: £3,407,000). The directors are satisfied with the company's performance and no change in the company's operations is anticipated.

### Results and dividends

In the year to 31 March 2001 the company made a profit after tax of £3,699,000 (2000: £2,249,000).

The directors recommend the payment of an interim dividend of £5,186,000 (2000: £Nil).

### Directors and their interests

The current directors are shown on page 1. Other directors who held office during the year are given below.

M Boase — non executive chairman (resigned 13 July 2001)

B McCluskey (resigned 28 September 2001)

No directors during the financial year held an interest in the share capital of the company. The interests of the directors, inclusive of their spouses and infant children, in the share capital of the ultimate parent company, EMAP plc, at the beginning of the year or at date of appointment \*, and at the end of the year were as follows:

	Ordinary shares in issue		Executive share plan under trust	
	At 1 April 2000 *	At 1 April 2001	At 1 April 2000 *	At 1 April 2001
M A Cox	9,624	10,933	3,516	2,436
T R Schoonmaker	36,292	36,194	18,511	17,915
M Story	-	52	700	1,731
A K Roberts	48	100	-	-
B McCluskey	-	-	-	3,001
P Hargreaves*	212	547	400	400
T D Smith *	64,169	64,169	-	-

	Ordinary shares under option			
	At 1 April 2000 *	Granted in year	Lapsed/ exercised in year	At 31 March 2001
M A Cox	2,199	-	-	2,199
T R Schoonmaker	2,015	861	(1016)	1,860
M Story	1,135	-	-	1,135
B McCluskey	-	2,502	-	2,502
P Hargreaves*	335	-	(335)	-

# Kiss FM Radio Limited

## 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 year. 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 consistently. 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.

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 reappoint auditors annually. Therefore the auditors, PricewaterhouseCoopers, are deemed to be reappointed for the next financial year.

**Approved by the Board of Directors and signed on its behalf by:**



**T R Schoonmaker**  
**12 October 2001**

# Kiss FM Radio Limited

## Auditors' report to the members of Kiss FM Radio Limited

We have audited the financial statements on pages 5 to 12.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 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.

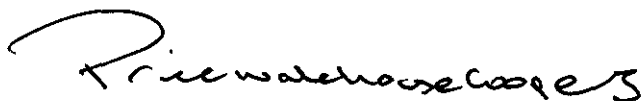
### Basis of audit opinion

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 profit 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

## Kiss FM Radio Limited

### Profit and loss account for the year ended 31 March 2001

	Notes	2001 £'000	2000 £'000
<b>Turnover</b>	1	<b>12,900</b>	9,077
Cost of sales		(3,498)	(2,334)
<b>Gross profit</b>		<b>9,402</b>	6,743
Administration expenses		(3,981)	(3,336)
<b>Profit on ordinary activities before taxation</b>	2	<b>5,421</b>	3,407
Taxation	5	(1,722)	(1,158)
<b>Profit after taxation</b>		<b>3,699</b>	2,249
<b>Dividends</b>	6	<b>(5,186)</b>	-
<b>Retained (Loss) / Profit for the financial year</b>	12	<b>(1,487)</b>	2,249

A statement of total recognised gains and losses has not been presented as the company has no recognised gains or losses in either the current or preceding year other than then profit for the year.

All of the above activities relate to continuing operations.

The notes on pages 8 to 12 form part of these financial statements

# Kiss FM Radio Limited

## Balance sheet as at 31 March 2001

	Notes	2001 £'000	2000 £'000
<b>Fixed assets</b>			
Tangible assets	7	409	166
<b>Current assets</b>			
Debtors	8	3,504	2,931
Cash at bank and in hand		15,258	8,070
		18,762	11,001
<b>Creditors: amounts falling due within one year</b>	9	(13,599)	(4,108)
<b>Net current assets</b>		<b>5,163</b>	<b>6,893</b>
<b>Net assets</b>		<b>5,572</b>	<b>7,059</b>
<b>Capital and reserves</b>			
Called up share capital	11	740	740
Share premium account	12	1,133	1,133
Profit and loss account	12	3,699	5,186
<b>Equity shareholders funds</b>	12	<b>5,572</b>	<b>7,059</b>

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



T R Schoonmaker



# **Kiss FM Radio Limited**

## **Accounting policies**

### **Accounting standards**

These accounts are drawn up in accordance with the historical cost convention and applicable accounting standards.

### **Turnover**

Turnover represents income received from the sale of advertising time together with sponsorship, club activities and other associated services, and is net of value added tax.

### **Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on the following fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Short leasehold premises	over the period of the lease
Office equipment and Motor vehicles	3 – 4 years

### **Leasing and hire purchase commitments**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

### **Deferred taxation**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

### **Pensions**

The company operates a defined contribution pension scheme. EMAP plc operates a group defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

### **Cash flow statements and related party transactions**

The company is a wholly owned subsidiary of EMAP plc and the cash flows of the company are included in the consolidated cash flow statement of EMAP plc. Consequently the company is exempt under the terms of Financial Reporting Standard No1 (Revised) from publishing a cash flow statement.

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.

# Kiss FM Radio Limited

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

### 1 Turnover

Turnover all relates to the principal activity of the company, which is that of a radio station. All turnover is derived within the United Kingdom.

### 2 Operating profit

This is stated after charging:

	2001 £'000	2000 £'000
Auditors' remuneration	17	7
Depreciation of owned fixed assets	122	130
Operating lease rentals:		
Plant and machinery	246	32
Other	324	90

### 3 Directors remuneration

	2001 £'000	2000 £'000
Fees	-	10
Other emoluments	141	103
Pension contributions	4	4
	145	117

One director participated in the company defined contribution pension scheme. Five other directors participate in the group defined contribution pension scheme.

### 4 Staff costs (including directors)

	2001 £'000	2000 £'000
Wages and salaries	1,010	751
Social security costs	113	80
Other pension costs	20	13
	1,143	844

The average number of employees during the year was:

	Number	Number
Administration and production	33	37

# Kiss FM Radio Limited

## 5 Taxation

	2001 £'000	2000 £'000
Based on the profit for the year:		
Corporation tax at 30% (2000: 30%)	1,637	1,155
Prior year adjustment	72	-
Deferred tax (Note 10)	13	3
	<b>1,722</b>	<b>1,158</b>

## 6 Dividend

	2001 £'000	2000 £'000
Proposed dividend £3.50 per share ( 2000:£Nil )	<b>5,186</b>	-

## 7 Tangible fixed assets

	Short leasehold land and buildings £'000	Office equipment and motor vehicles £'000	Total  £'000
<b>Cost</b>			
At 1 April 2000	169	893	1,062
Additions in the year	-	409	409
Disposals	(169)	(697)	(866)
<b>At 31 March 2001</b>	<b>-</b>	<b>605</b>	<b>605</b>
<b>Depreciation</b>			
At 1 April 2000	(136)	(760)	(896)
Provided during the year	(6)	(116)	(122)
Disposals	142	680	822
<b>At 31 March 2001</b>	<b>-</b>	<b>(196)</b>	<b>(196)</b>
<b>Net book value</b>			
<b>At 31 March 2001</b>	<b>-</b>	<b>409</b>	<b>409</b>
At 31 March 2000	33	133	166

# Kiss FM Radio Limited

## 8 Debtors

	2001 £'000	2000 £'000
Trade debtors	1,677	2,092
Amounts due from group undertakings	1,602	523
Deferred tax	34	47
Prepayments and accrued income	5	175
Other debtors	186	94
	<b>3,504</b>	<b>2,931</b>

## 9 Creditors: amounts falling due within one year

	2001 £'000	2000 £'000
Trade creditors	106	540
Amounts owed to group undertakings	9,042	1,483
Other taxes and social security costs	772	374
Accruals and deferred income	971	768
Other creditors	1,071	-
Corporation tax	1,637	943
	<b>13,599</b>	<b>4,108</b>

## 10 Provisions for liabilities and charges

	£'000	
<b>Deferred taxation</b>		
At 1 April 2000		(47)
Charged to the profit and loss account		13
<b>At 31 March 2001</b>		<b>(34)</b>
Deferred taxation recognised in the financial statements is as follows:		
	2001 £'000	2000 £'000
Tax effect of accelerated capital allowances	(34)	(41)
Other timing differences	-	(6)
	<b>(34)</b>	<b>(47)</b>

There is no unprovided deferred taxation.

# Kiss FM Radio Limited

## 11 Share Capital

	2001 £'000	2000 £'000
<b>Authorised:</b>		
1,600,000 Ordinary shares of 50p each	800	800
<b>Allotted, called up and fully paid</b>		
1,479,296 Ordinary shares of 50p each	740	740

## 12 Reconciliation of equity shareholders' funds and movements on reserves

	Share Capital £'000	Share premium account £'000	Profit and loss account £'000	Total £'000
Profit for the financial year	-	-	3,699	3,699
Dividends	-	-	(5,186)	(5,186)
Movement in equity shareholders' funds	-	-	(1,487)	(1,487)
Equity shareholder' funds 1 April 2000	7,40	1,133	5,186	7,059
<b>Equity shareholders' funds 31 March 2001</b>	<b>7,40</b>	<b>1,133</b>	<b>3,699</b>	<b>5,572</b>

## 13 Other financial commitments

At 31 March 2001 the company had annual commitments under operating leases as set out below:

	Land and buildings		Other	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
<b>Operating leases which expire</b>				
Within one year	-	-	55	1
Between one and five years inclusive	-	-	191	23
After five years	324	-	-	-
	<b>324</b>	<b>-</b>	<b>246</b>	<b>24</b>

## 14 Subsidiary undertakings

The company owns the entire issued share capital of KISS TV Limited, a company incorporated in England and Wales and is dormant for the purposes of preparing statutory financial statements. The investment is valued at cost £2. The company has not prepared consolidated financial statements under the exemptions conferred by Section 228 (1) of the Companies Act 1985.

## **Kiss FM Radio Limited**

### **15 Ultimate parent undertaking**

The company is owned by EMAP Performance Limited. The parent undertaking of the largest group for which group financial statements are drawn up and of which the company is a member is EMAP plc, registered in England and Wales. Copies of EMAP plc's financial statements can be obtained from 1 Lincoln Court, Lincoln Road, Peterborough, PE1 2RF.