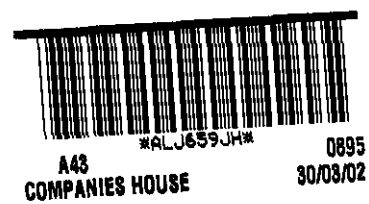


PIRATE FM LIMITED
FINANCIAL STATEMENTS
FOR
30 SEPTEMBER 2001

Company Registration Number 2552870



PIRATE FM LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

| CONTENTS | PAGES |
|---|--------------|
| Officers and professional advisers | 1 |
| The directors' report | 2 to 3 |
| Independent auditors' report to the shareholders | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 to 11 |
| The following pages do not form part of the financial statements | |
| Detailed profit and loss account | 13 |
| Notes to the detailed profit and loss account | 14 to 15 |

PIRATE FM LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

J P S St Aubyn
Dame Annette Penhaligon
W J G Rogers
J R Berry
J W Swain
B Warne
D Renwick
R McCreadie

COMPANY SECRETARY

Y L Clayton

REGISTERED OFFICE

Carn Brea Studios
Barncoose Industrial Estate
Redruth
Cornwall
TR15 3RQ

AUDITORS

Menzies
Chartered Accountants
& Registered Auditors
Sandringham
Guildford Road
Woking
Surrey
GU22 7QL

BANKERS

Royal Bank of Scotland
10 North Street
Guildford
Surrey
GU1 4AF

PIRATE FM LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year is the operation of an independent local radio station. The station broadcasts under the name of Pirate FM 102 to Cornwall and parts of West Devon.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

J P S St Aubyn
A E Holden
Dame Annette Penhaligon
M L Powell
W J G Rogers
J R Berry
J W Swain
P Angell
B Warne
D Renwick

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the parent company.

D Renwick was appointed as a director on 17 September 2001.
R McCreadie was appointed as a director on 23 November 2001.

A E Holden resigned as a director on 19 January 2001.
M L Powell resigned as a director on 31 October 2001.
P Angell resigned as a director on 23 November 2001.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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 directors appointed Menzies to fill a casual vacancy of auditors during the year. A resolution to re-appoint Menzies as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

PIRATE FM LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2001

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Cam Brea Studios
Barncoose Industrial Estate
Redruth
Cornwall
TR15 3RQ

Signed by order of the directors



Y L Clayton
Company Secretary

Approved by the directors on 22.2.2002

PIRATE FM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 SEPTEMBER 2001

We have audited the financial statements on pages 5 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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.

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.

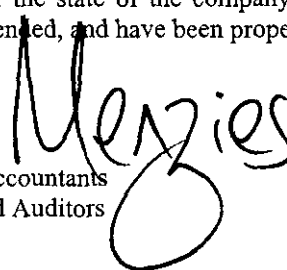
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Sandringham
Guildford Road
Woking
Surrey
GU22 7QL

MENZIES
Chartered Accountants
& Registered Auditors



20 March 2002

PIRATE FM LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30 SEPTEMBER 2001**

| | Note | 2001 £ | 2000 £ |
|--|------|-----------|-----------|
| TURNOVER | | 2,571,836 | 2,306,899 |
| Variable costs | | 585,921 | 594,900 |
| GROSS PROFIT | | 1,985,915 | 1,711,999 |
| Operating expenses | | 1,474,712 | 1,290,519 |
| Other operating income | 2 | (28,902) | (14,860) |
| OPERATING PROFIT | 3 | 540,105 | 436,340 |
| Interest receivable | 5 | 80,214 | 59,029 |
| Interest payable | | (7,063) | (1,200) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 613,256 | 494,169 |
| Tax on profit on ordinary activities | | (187,199) | (155,202) |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 426,057 | 338,967 |
| Equity dividends paid | | 860,000 | 60,000 |
| (LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR | | (433,943) | 278,967 |
| Balance brought forward | | 443,185 | 164,218 |
| Balance carried forward | | 9,242 | 443,185 |

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

PIRATE FM LIMITED

BALANCE SHEET

30 SEPTEMBER 2001

| | Note | 2001 | 2000 |
|--|------|------------------|------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 6 | 330,318 | 325,331 |
| Investments | 7 | 100 | 100 |
| | | <u>330,418</u> | <u>325,431</u> |
| CURRENT ASSETS | | | |
| Stocks | | 2,881 | 3,362 |
| Debtors due within one year | 8 | 459,369 | 474,070 |
| Debtors due after one year | 8 | 775,238 | 455,604 |
| Cash at bank and in hand | | 11,737 | 597,397 |
| | | <u>1,249,225</u> | <u>1,530,433</u> |
| CREDITORS: Amounts falling due within one year | 9 | <u>(593,258)</u> | <u>(514,304)</u> |
| NET CURRENT ASSETS | | 655,967 | 1,016,129 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>986,385</u> | <u>1,341,560</u> |
| CREDITORS: Amounts falling due after more than one year | 10 | <u>(78,768)</u> | <u>-</u> |
| | | <u>907,617</u> | <u>1,341,560</u> |
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 14 | 708,500 | 708,500 |
| Share premium account | | 189,875 | 189,875 |
| Profit and Loss Account | | 9,242 | 443,185 |
| SHAREHOLDERS' FUNDS | | <u>907,617</u> | <u>1,341,560</u> |

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 22.2.2002, and are signed on their behalf by


W J G Rogers

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

PIRATE FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, trade discounts and agency commissions.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|------------------------|---|
| Freehold property | - 25 years |
| Studio equipment | - 12.5% straight line per annum |
| Motor vehicles | - 25% straight line per annum |
| Office equipment | - 12.5% and 33% straight line per annum |
| Leasehold improvements | - 12.5% straight line per annum |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Profit and Loss Account on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

PIRATE FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

1. ACCOUNTING POLICIES (*continued*)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. OTHER OPERATING INCOME

| | 2001 £ | 2000 £ |
|-------------------------------|---------------|---------------|
| Rent receivable | 28,902 | 11,160 |
| Management charges receivable | - | 3,700 |
| | <u>28,902</u> | <u>14,860</u> |

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

| | 2001 £ | 2000 £ |
|---|--------------|--------------|
| Staff pension contributions | - | 2,150 |
| Depreciation of tangible fixed assets | 48,332 | 88,009 |
| (Profit)/loss on disposal of fixed assets | (416) | 2,788 |
| Auditors' fees | <u>1,250</u> | <u>1,000</u> |

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

| | 2001 £ | 2000 £ |
|----------------------|----------------|----------------|
| Aggregate emoluments | <u>135,920</u> | <u>109,869</u> |

The number of directors who are accruing benefits under company pension schemes were as follows:

| | 2001 No. | 2000 No. |
|------------------------|-------------|-------------|
| Money purchase schemes | <u>2</u> | <u>2</u> |

PIRATE FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

5. INTEREST RECEIVABLE

| | 2001 £ | 2000 £ |
|----------------------------------|---------------|---------------|
| Bank interest receivable | 13,892 | 15,989 |
| Interest from group undertakings | 66,322 | 43,040 |
| | <u>80,214</u> | <u>59,029</u> |

6. TANGIBLE FIXED ASSETS

| | Freehold & Leasehold Property £ | Studio equipment £ | Motor vehicles £ | Office equipment £ | Total £ |
|-----------------------------|---------------------------------------|--------------------------|------------------------|--------------------------|----------------|
| COST | | | | | |
| At 1 October 2000 | 282,968 | 229,881 | 154,696 | 89,497 | 757,042 |
| Additions | 8,022 | 6,229 | 42,899 | 10,418 | 67,568 |
| Disposals | - | - | (32,000) | - | (32,000) |
| At 30 September 2001 | <u>290,990</u> | <u>236,110</u> | <u>165,595</u> | <u>99,915</u> | <u>792,610</u> |
| DEPRECIATION | | | | | |
| At 1 October 2000 | 71,030 | 217,618 | 70,943 | 72,516 | 432,107 |
| Charge for the year | 6,652 | 2,538 | 29,628 | 9,514 | 48,332 |
| On disposals | - | - | (18,147) | - | (18,147) |
| At 30 September 2001 | <u>77,682</u> | <u>220,156</u> | <u>82,424</u> | <u>82,030</u> | <u>462,292</u> |
| NET BOOK VALUE | | | | | |
| At 30 September 2001 | <u>213,308</u> | <u>15,954</u> | <u>83,171</u> | <u>17,885</u> | <u>330,318</u> |
| At 30 September 2000 | <u>211,938</u> | <u>12,263</u> | <u>83,753</u> | <u>16,981</u> | <u>324,935</u> |

Hire purchase and finance lease agreements

Included within the net book value of £330,318 is £Nil (2000 - £Nil) relating to assets held under hire purchase agreements, and £Nil (2000 - £Nil) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £Nil (2000 - £Nil), and £Nil (2000 - £17,640) in respect of assets held under finance lease agreements.

7. INVESTMENTS

| | £ |
|---|------------|
| COST | |
| At 1 October 2000 and 30 September 2001 | <u>100</u> |
| NET BOOK VALUE | |
| At 30 September 2001 | <u>100</u> |
| At 30 September 2000 | <u>100</u> |

PIRATE FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

8. DEBTORS

| | 2001 £ | 2000 £ |
|------------------------------------|------------------|----------------|
| Trade debtors | 380,813 | 356,796 |
| Amounts owed by group undertakings | 803,746 | 530,356 |
| Other debtors | 50,048 | 42,522 |
| | <u>1,234,607</u> | <u>929,674</u> |

The debtors above include the following amounts falling due after more than one year:

| | 2001 £ | 2000 £ |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | <u>775,238</u> | <u>455,604</u> |

This amount has been advanced to the UKRD Group Limited. The boards of both companies have formally agreed terms for the loan. The loan is unsecured and interest is payable on the amount of the loan, calculated on a daily basis, at 2% over the published base rate of the company's bankers. It has been further agreed that the loan is of a long term nature and that repayment will be after 30 September 2002. Accordingly, the loan has been classified as a long term debtor.

9. CREDITORS: Amounts falling due within one year

| | 2001 £ | 2000 £ |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts | 11,000 | 1,954 |
| Trade creditors | 85,732 | 81,186 |
| Amounts owed to group undertakings | 143,769 | 154,100 |
| Finance leases | - | 1,786 |
| Other creditors | 70,271 | 89,595 |
| Accruals and deferred income | 282,486 | 185,683 |
| | <u>593,258</u> | <u>514,304</u> |

10. CREDITORS: Amounts falling due after more than one year

| | 2001 £ | 2000 £ |
|---------------------------|---------------|-----------|
| Bank loans and overdrafts | <u>78,768</u> | <u>-</u> |

PIRATE FM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2001

11. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2001 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

| | 2001 £ | 2000 £ |
|--------------------------------|---------------|----------------|
| Operating leases which expire: | | |
| Within 1 year | 2,970 | 7,050 |
| Within 2 to 5 years | 5,352 | 106,886 |
| After more than 5 years | 9,030 | 7,250 |
| | <u>17,352</u> | <u>121,186</u> |

12. CONTINGENCIES

The company is party to a group cross guarantee covering bank facilities within the UKRD Group Limited. The directors do not consider that any liability will arise in this regard.

13. RELATED PARTY TRANSACTIONS

As permitted by Financial Reporting Standard 8, "Related Party Transactions", no disclosures have been provided in respect of transactions within the ultimate parent undertaking and those subsidiary undertakings where the group controls 90% or more of the companies' voting rights.

14. SHARE CAPITAL

Authorised share capital:

| | 2001 £ | 2000 £ |
|---|----------------|----------------|
| 480,000 A Ordinary shares of £1.00 each | 480,000 | 480,000 |
| 320,000 B Ordinary shares of £1.00 each | 320,000 | 320,000 |
| | <u>800,000</u> | <u>800,000</u> |

Allotted, called up and fully paid:

| | 2001 | | 2000 | |
|-------------------|----------------|----------------|----------------|----------------|
| | No. | £ | No. | £ |
| A Ordinary shares | 408,500 | 408,500 | 408,500 | 408,500 |
| B Ordinary shares | 300,000 | 300,000 | 300,000 | 300,000 |
| | <u>708,500</u> | <u>708,500</u> | <u>708,500</u> | <u>708,500</u> |

15. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is UKRD Group Limited, a company registered in England and Wales. There is no one controlling party of UKRD Group Limited.

PIRATE FM LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 30 SEPTEMBER 2001

**The following pages do not form part of the statutory financial statements
which are the subject of the auditors' report on page 4.**

PIRATE FM LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2001

| | 2001 | | 2000 | |
|--------------------------------------|---------|-----------------------|---------|-----------------------|
| | £ | £ | £ | £ |
| TURNOVER | | | | |
| Commercial production | | 92,664 | | 76,035 |
| Incremental revenue | | - | | 7,959 |
| Local contra sales | | 1,210 | | 13,200 |
| Local revenue | | 1,324,367 | | 1,083,047 |
| Sponsorship and promotions | | 194,754 | | 227,555 |
| Merchandise | | 624 | | 2,195 |
| National revenue | | 701,951 | | 615,336 |
| Newslink | | 8,276 | | 76,624 |
| Regional revenue | | 247,990 | | 200,345 |
| Traffic services revenue | | - | | 4,603 |
| | | <u>2,571,836</u> | | <u>2,306,899</u> |
| VARIABLE COSTS | | | | |
| Merchandise | 1,163 | | 1,985 | |
| On-air promotions | 20,393 | | 27,282 | |
| Commercial production | 71,098 | | 74,061 | |
| National agency and sales commission | 246,351 | | 191,648 | |
| Regional agency and sales commission | 30,485 | | 51,335 | |
| RAB fees | 3,099 | | 7,137 | |
| Outside promotion costs | 2,178 | | 14,527 | |
| Sponsorship costs | 195 | | 4,514 | |
| PPL royalties | 104,986 | | 111,379 | |
| PRS royalties | 105,973 | | 111,032 | |
| | | <u>(585,921)</u> | | <u>(594,900)</u> |
| GROSS PROFIT | | <u>1,985,915</u> | | <u>1,711,999</u> |
| OVERHEADS | | | | |
| Operating expenses | | <u>(1,474,712)</u> | | <u>(1,290,519)</u> |
| | | 511,203 | | 421,480 |
| OTHER OPERATING INCOME | | 28,902 | | 14,860 |
| OPERATING PROFIT | | <u>540,105</u> | | <u>436,340</u> |
| Interest receivable | | 80,214 | | 59,029 |
| | | <u>620,319</u> | | <u>495,369</u> |
| Interest payable | | <u>(7,063)</u> | | <u>(1,200)</u> |
| PROFIT ON ORDINARY ACTIVITIES | | <u><u>613,256</u></u> | | <u><u>494,169</u></u> |

PIRATE FM LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2001

| | 2001 | | 2000 | |
|---|----------------|----------------|----------------|----------------|
| | £ | £ | £ | £ |
| PROGRAMMING AND TRANSMISSION COSTS, AND LICENCE FEES | | | | |
| Programming wages | | 142,761 | | 195,571 |
| NIC on programming wages | | 15,155 | | 22,562 |
| Pension contributions - distribution labour | | - | | 2,150 |
| Airtime charges | | 11,001 | | 10,648 |
| CRCA licence fee | | (1,274) | | 2,926 |
| Contract presenters | | 41,971 | | 31,364 |
| Jingles and music library | | 5,916 | | 3,615 |
| NTL transmitter costs | | 99,628 | | 85,881 |
| Newslink | | 3,554 | | 40,948 |
| Newsteam expenses | | - | | 1,420 |
| Radio Authority licence fees | | 2,561 | | 2,413 |
| Research fees | | 20,671 | | 20,475 |
| Software licence fees | | 9,022 | | 19,975 |
| Traffic salaries | | - | | 21,115 |
| WTA transmitter fees | | - | | 2,036 |
| | | <u>350,966</u> | | <u>463,099</u> |
| OPERATING EXPENSES | | | | |
| Personnel costs | | | | |
| Directors fees | 135,920 | | 96,484 | |
| Directors pensions | 4,178 | | 5,982 | |
| Salaries | 444,009 | | 307,678 | |
| Agency and contract staff | 9,155 | | 21,379 | |
| Staff NIC | <u>50,341</u> | | <u>32,378</u> | |
| | | 643,603 | | 463,901 |
| Establishment expenses | | | | |
| Rent | 10,610 | | 3,288 | |
| Rates and water | 8,657 | | 10,388 | |
| Light and heat | 6,800 | | 5,008 | |
| Insurance | 11,480 | | 10,344 | |
| Repairs and maintenance | 11,238 | | 11,797 | |
| Cleaning | 2,674 | | 6,524 | |
| Contract maintenance | <u>382</u> | | <u>3,188</u> | |
| | | 51,841 | | 50,537 |
| General expenses | | | | |
| Motor expenses | 73,176 | | 50,575 | |
| Subsistence | 10,668 | | 3,159 | |
| Car hire | - | | 13,200 | |
| Telephone | 45,912 | | 34,230 | |
| Corporate expenses | 1,891 | | 1,767 | |
| Subscriptions | 1,690 | | 3,005 | |
| Hire of equipment | 10,972 | | 5,967 | |
| Printing, stationery and postage | 26,966 | | 28,161 | |
| Staff training | 13,433 | | 3,094 | |
| Sundry expenses | 5,585 | | 9,742 | |
| Marketing and promotions | 76,046 | | 51,115 | |
| Entertaining | 2,541 | | 6,735 | |
| Group management charges | <u>12,000</u> | | <u>12,000</u> | |
| Carried forward | <u>280,880</u> | <u>695,444</u> | <u>222,750</u> | <u>514,438</u> |

PIRATE FM LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2001

| | 2001 | | 2000 | |
|--|---------|------------------|----------|----------------|
| | £ | £ | £ | £ |
| ADMINISTRATIVE EXPENSES (continued) | | | | |
| Brought forward | 280,880 | 695,444 | 222,750 | 514,438 |
| Legal and professional fees | 7,268 | | 2,841 | |
| Group service fees | 46,389 | | - | |
| Accountancy fees | 5,279 | | 5,240 | |
| Auditors remuneration | 1,000 | | 1,000 | |
| Depreciation of property | 6,652 | | 11,699 | |
| Depreciation of studio equipment | 12,052 | | 32,379 | |
| Depreciation of motor vehicles | 29,628 | | 43,931 | |
| (Profit)/Loss on disposal of fixed assets | (416) | | 2,788 | |
| | | 388,732 | | 322,628 |
| Financial costs | | | | |
| Bad and doubtful debts | 35,865 | | (10,982) | |
| Bank charges | 3,705 | | 1,336 | |
| | | 39,570 | | (9,646) |
| | | <u>1,123,746</u> | | <u>827,420</u> |
| OTHER OPERATING INCOME | | | | |
| Rent receivable | | 28,902 | | 11,160 |
| Management charges receivable | | - | | 3,700 |
| | | <u>28,902</u> | | <u>14,860</u> |
| INTEREST RECEIVABLE | | | | |
| Bank interest receivable | | 13,892 | | 15,989 |
| Group interest receivable | | 66,322 | | 43,040 |
| | | <u>80,214</u> | | <u>59,029</u> |
| INTEREST PAYABLE | | | | |
| Bank interest payable | | 7,063 | | 238 |
| HP/Finance lease charges | | - | | 962 |
| | | <u>7,063</u> | | <u>1,200</u> |