

Liberty Radio Limited

FINANCIAL STATEMENTS

for the year ended

28 February 2007

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COMPANIES HOUSE

Company Registration No 02803478

Liberty Radio Limited

DIRECTORS AND OFFICERS

DIRECTORS

P A Duarte Monteiro
C M Bezerra Jnr

SECRETARY

P A Duarte Monteiro

COMPANY NUMBER

02803478 (England and Wales)

REGISTERED OFFICE

232 Seven Sisters Road
Finsbury Park
London
N4 3NX

AUDITOR

Baker Tilly UK Audit LLP
1st Floor
46 Clarendon Road
Watford
Herts
WD17 1JJ

Liberty Radio Limited

DIRECTORS' REPORT

The directors present their report and financial statements of Liberty Radio Limited for the year ended 28 February 2007

PRINCIPAL ACTIVITIES

The principal activity of the company during the year has continued to be that of radio broadcasting. The company gifts any taxable profits to its charitable parent undertaking UCKG HelpCentre. The directors are satisfied with the results for the year.

DIRECTORS

The following directors have held office since 1 March 2006

P A Duarte Monteiro

C M Bezerra Jnr

A J Rodrigues Dos Santos

(Appointed 14 August 2006)

(Resigned 14 August 2006)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Baker Tilly UK Audit LLP was appointed as auditor during the year.

On behalf of the board



19 December 2007

Liberty Radio Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 that 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIBERTY RADIO LIMITED

We have audited the financial statements on pages 5 to 11

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 28 February 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.


Registered Auditor

Chartered Accountants

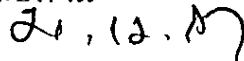
1st Floor

46 Clarendon Road

Watford

Herts

WD17 1JJ



Liberty Radio Limited
PROFIT AND LOSS ACCOUNT
for the year ended 28 February 2007

	<i>Notes</i>	2007 £	2006 £
TURNOVER	1	59,384	56,825
Cost of sales		22,439	28,048
Gross profit		36,945	28,777
Other operating expenses	2	37,422	53,967
OPERATING LOSS		(477)	(25,190)
Loss on sale of fixed assets		(69,124)	-
Waiver of loan from former parent undertaking		2,392,213	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		2,322,612	(25,190)
Investment income	3	111	136
		2,322,723	(25,054)
Interest payable	4	4	5
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	2,322,719	(25,059)
Taxation	7	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	13	2,322,719	(25,059)

The operating loss for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

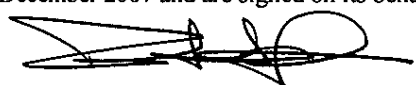
Liberty Radio Limited

BALANCE SHEET

28 February 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	8	51,533	72,989
CURRENT ASSETS			
Debtors	9	23,708	27,378
Cash at bank and in hand		8,384	4,598
		32,092	31,976
CREDITORS Amounts falling due within one year	10	17,246	22,092
NET CURRENT ASSETS		14,846	9,884
TOTAL ASSETS LESS CURRENT LIABILITIES		66,379	82,873
CREDITORS Amounts falling due after more than one year	11	(53,000)	(2,392,213)
		13,379	(2,309,340)
CAPITAL AND RESERVES			
Called up share capital	12	11,445,439	11,445,439
Profit and loss account	13	(11,432,060)	(13,754,779)
SHAREHOLDERS' FUNDS	14	13,379	(2,309,340)

The financial statements on pages 5 to 11 were approved by the board of directors and authorised for issue on 19 December 2007 and are signed on its behalf by



Director

Liberty Radio Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention. The comparative figures are unaudited as the company was entitled to an exemption under CA 1985 S 249A for that year.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Land and buildings Leasehold	10% on cost
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability or asset will crystallise, at the rate expected to be ruling at that date.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

Liberty Radio Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2007

1 TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit/(loss) before taxation were all derived from its principal activity wholly undertaken in the United Kingdom

2 OTHER OPERATING EXPENSES	2007 £	2006 £
Distribution costs	227	-
Administrative expenses	37,195	53,967
	<u>37,422</u>	<u>53,967</u>

3 INVESTMENT INCOME	2007 £	2006 £
Bank interest	<u>111</u>	<u>136</u>

4 INTEREST PAYABLE	2007 £	2006 £
On bank loans and overdrafts	<u>4</u>	<u>5</u>

5 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2007 £	2006 £
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation of tangible assets		
Charge for the year		
owned assets	17,178	24,330
Auditor's remuneration	<u>4,400</u>	<u>-</u>

6 EMPLOYEES

There were no employees during either year apart from the directors

Liberty Radio Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 28 February 2007

7 TAXATION

Current tax charge	-	-
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	2,322,719	(25,059)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 19.00% (2006: 19.00%)	441,317	(4,761)
Effects of		
Tax losses carried forward	13,203	4,761
Non-taxable loan write off	(454,520)	-
	(441,317)	4,761
Current tax charge	-	-

8 TANGIBLE FIXED ASSETS

	<i>Land and buildings Leasehold</i>	<i>Plant and machinery</i>	<i>Fixtures, Motor vehicles fittings & equipment</i>	<i>Total</i>
	£	£	£	£
Cost				
1 March 2006	488,356	6,462	742,852	1,238,079
Additions	-	64,846	-	64,846
Disposals	(488,356)	-	(739,980)	(1,228,336)
28 February 2007	-	71,308	2,872	74,589
Depreciation				
1 March 2006	488,356	3,736	672,819	1,165,090
Charge in the year	-	16,893	227	17,178
Disposals	(488,356)	-	(670,856)	(1,159,212)
28 February 2007	-	20,629	2,190	23,056
Net book value				
28 February 2007	-	50,679	682	51,533
28 February 2006	-	2,726	70,033	72,989

Liberty Radio Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 28 February 2007

9	DEBTORS	2007 £	2006 £
	Due within one year		
	Trade debtors	-	18,300
	Amounts owed by parent undertaking	15,100	-
	Other debtors	5,108	6,580
	Prepayments and accrued income	3,500	2,498
		<u>23,708</u>	<u>27,378</u>

10	CREDITORS Amounts falling due within one year	2007 £	2006 £
	Trade creditors	10,246	21,663
	Loan owed to parent undertaking	7,000	-
	Accruals and deferred income	-	429
		<u>17,246</u>	<u>22,092</u>

11	CREDITORS Amounts falling due in more than one year	2007 £	2006 £
	Long term loan owed to parent undertaking	<u>53,000</u>	<u>2,392,213</u>

The above loan of £60,000 is secured on the company's tangible fixed assets. No amount falls due after more than 5 years. Interest accrues at 1% over bank base rate.

12	SHARE CAPITAL	2007 £	2006 £
	Authorised		
	11,445,439 of £1 each	<u>11,445,439</u>	<u>11,445,439</u>
	Allotted, issued and fully paid		
	11,445,439 of £1 each	<u>11,445,439</u>	<u>11,445,439</u>

Liberty Radio Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 28 February 2007

13 STATEMENT OF MOVEMENT ON RESERVES

	<i>Profit and loss account £</i>
1 March 2006	(13,754,779)
Retained profit for the year	2,322,719
	<u> </u>
28 February 2007	(11,432,060)
	<u> </u>

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit/(loss) for the financial year	2,322,719	(25,059)
Opening shareholders' funds	(2,309,340)	(2,284,281)
	<u> </u>	<u> </u>
Closing shareholders' funds	13,379	(2,309,340)
	<u> </u>	<u> </u>

15 CONTROL

The ultimate parent undertaking is UCKG HelpCentre, a Registered Charity, No 1043985, registered in England and Wales. UCKG HelpCentre acquired the company from Universal Difusao on 28 March 2006.

16 RELATED PARTY TRANSACTIONS

No disclosure is made of transactions with group entities as permitted by FRS 8.

The company operates from premises which are provided rent-free by Record TV Network Limited, a company in which Jose Arolde Martins, a trustee of the parent undertaking, has a 49% interest.