

1458 BIG AM Limited

Annual report and accounts
for the year ended 31 December 2003

Registered number: 02890732



LD8
COMPANIES HOUSE

LNUF0ZRW

0835
29/10/04

Directors' report

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2003.

Principal activity and business review

The company has not traded throughout the year.

Results and dividends

The result for the year, after taxation, amounted to £nil (2002 – profit of £110,175).

The directors do not recommend the payment of a dividend (2002 - £nil).

Directors and their interests

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

KJ Sadler

AC MacKenzie

Directors' interests

The interests of Mr KJ Sadler in the shares of The Wireless Group plc are disclosed in the accounts of that company.

The interests of Mr AC MacKenzie are shown in the accounts of The Wireless Group (ILRs) Limited.

There are no other interests required to be disclosed under Section 234 of the Companies Act 1985.

Directors' report (continued)

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year 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 year. In preparing those accounts, the directors are required to:

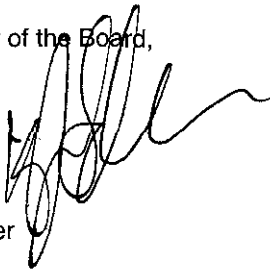
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board,

A handwritten signature in black ink, appearing to be 'KJ Sadler', written over the text 'By order of the Board,'.

KJ Sadler
Director

27 October 2004

Independent auditors' report

Independent auditors' report to the members of 1458 BIG AM Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 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. The other information comprises only the directors' report.

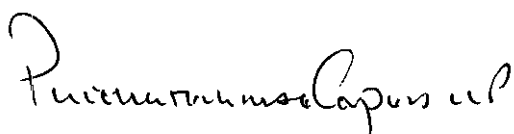
Basis of audit opinion

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 December 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

31 Great George Street

Bristol

BS1 5QD

27 October 2004

3 1458 BIG AM LIMITED

Profit and loss account

For the year ended 31 December 2003

	Notes	2003 £	2002 £
Turnover	2	-	8,298
Operating expenses	3	-	(126,781)
Operating loss	4	-	(118,483)
Interest payable and similar charges	5	-	(6,082)
Profit on sale of radio licence	6	-	234,740
Profit on ordinary activities before taxation		-	110,175
Tax on profit on ordinary activities	9	-	-
Retained profit for the year	13	-	110,175

All results arise from discontinuing activities.

The company has no recognised gains and losses other than the profit stated above, and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

The accompanying notes are an integral part of this profit and loss account.

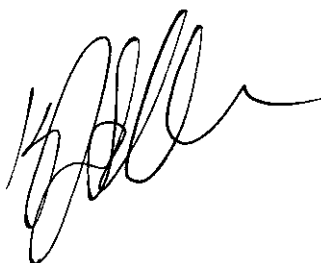
Balance sheet

As at 31 December 2003

	Notes	2003 £	2002 £
Current assets			
Debtors	10	532,862	580,453
		<u>532,862</u>	<u>580,453</u>
Creditors: Amounts falling due within one year	11	<u>(4,782,234)</u>	<u>(4,829,825)</u>
Net current liabilities		<u>(4,249,372)</u>	<u>(4,249,372)</u>
Total assets less current liabilities		<u>(4,249,372)</u>	<u>(4,249,372)</u>
Net liabilities		<u>(4,249,372)</u>	<u>(4,249,372)</u>
Capital and reserves			
Called-up share capital	12	656,000	656,000
Profit and loss account	13	<u>(4,905,372)</u>	<u>(4,905,372)</u>
Total shareholders' deficit	14	<u>(4,249,372)</u>	<u>(4,249,372)</u>

Signed on behalf of the Board

KJ Sadler
Director



27 October 2004

The accompanying notes are an integral part of this balance sheet.

Notes to the accounts

1 Principal accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

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

The company has net liabilities at 31 December 2003. The directors of the ultimate parent company, The Wireless Group plc, have indicated that adequate resources will be made available to allow the company to realise its remaining assets and to pay all remaining external liabilities. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

The company's cash flows are included in the consolidated financial statements of The Wireless Group plc. The company has therefore taken advantage of the exemption of FRS 1 (revised) and has not presented a cash flow statement.

Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties during the year for the provision of goods and services, net of agency commissions. Turnover includes barter arrangements which meet the requirements of UITF 26 "Barter Transactions for Advertising".

Finance and operating leases

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged to the profit and loss on a straight line basis over the lease term, even if payments are not made on such a basis.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred taxation is provided in full on all material timing differences. Deferred tax assets are recognised where their recovery is considered more likely than not. Deferred tax assets and liabilities have not been discounted.

Pensions

The company provides defined contribution pensions for certain eligible employees as part of a plan organised by the Commercial Radio Companies Association Limited (CRCA). Contributions to the scheme are charged to the profit and loss accounts as incurred.

Notes to the accounts (continued)

2 Turnover

All turnover arose wholly within the United Kingdom. The directors consider that the business of the company is all of one class.

In 2002 the company entered into barter arrangements for the supply of certain services, and these were treated as turnover as they complied with UITF 26. During the year ended 31 December 2003 barter transactions amounted to £Nil (2002: £4,600) of turnover.

3 Operating expenses

	2003	2002
	£	£
Administration expenses	-	126,781

4 Operating profit on ordinary activities

Profit on ordinary activities before taxation is stated after charging:

	2003	2002
	£	£
Depreciation and amounts written off tangible fixed assets		
- owned	-	6,253
- finance leases	-	13,665
Profit on disposal of fixed assets	-	18,691
Operating lease rentals		
- plant & machinery	-	8,489
- other	-	54,379
Auditors' remuneration		
- audit services	-	3,000
- non-audit services	-	1,350

The auditors' remuneration was borne by the intermediate parent company, The Wireless Group (ILRs) Limited.

5 Interest payable and similar charges

	2003	2002
	£	£
Interest payable on finance leases	-	6,082

6 Profit on sale of radio licence

Last year on 19 February 2002, the company disposed of its radio licence. The net proceeds from the sale after costs amounted to £234,740.

Notes to the accounts (continued)

7 Staff costs

The average monthly number of employees (including executive directors) was:

	2003 Number	2002 Number
Programming	-	1
Sales	-	1
	<hr/>	<hr/>
	-	2

Their aggregate remuneration comprised:

	2003 £	2002 £
Wages and salaries	-	33,598
Social security costs	-	1,479
Pension costs	-	313
	<hr/>	<hr/>
	-	35,390

8 Directors' remuneration

Mr AC MacKenzie was not paid any emoluments in respect of his duties to this company. The emoluments of Mr KJ Sadler are paid by The Wireless Group plc and are disclosed in that company's accounts.

9 Tax on profit on ordinary activities

There is no tax charge in the current year as the company did not trade.

Reconciliation of current tax charge:	2003 £	2002 £
Profit on ordinary activities before tax	-	110,175
	<hr/>	<hr/>
Tax on profit on ordinary activities at standard rate of tax (30%)	-	33,053
Disallowable expenses	-	4,151
Depreciation in excess of capital allowances	-	368
Utilisation of trading losses brought forward	-	(37,572)
	<hr/>	<hr/>
	-	-

Notes to the accounts (continued)

10 Debtors

	2003 £	2002 £
Trade debtors	-	-
Amounts owed by other group undertakings	531,315	553,740
Taxation and social security	-	3,008
Prepayments and accrued income	1,547	23,705
	<u>532,862</u>	<u>580,453</u>

11 Creditors: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	-	137
Obligations under finance leases	12,095	45,967
Taxation and social security	761	-
Amounts owed to other group undertakings	4,769,378	4,768,215
Accruals and deferred income	-	15,506
	<u>4,782,234</u>	<u>4,829,825</u>

12 Called-up share capital

	2003 £	2002 £
<i>Authorised</i>		
756,000 (2002 - 756,000) ordinary of £1 each	<u>756,000</u>	<u>756,000</u>
<i>Allotted, called-up and fully-paid</i>		
656,000 (2002 - 656,000) ordinary shares of £1 each	<u>656,000</u>	<u>656,000</u>

Notes to the accounts (continued)

13 Reserves

The movement on reserves is as follows:

	Profit and loss account £
At 1 January 2003	(4,905,372)
Profit for the financial year	-
At 31 December 2003	<u>(4,905,372)</u>

14 Reconciliation of movement in shareholders' deficit

	2003 £	2002 £
Opening shareholders' deficit	(4,249,372)	(4,359,547)
Profit for the financial year	-	110,175
Closing shareholders' deficit	<u>(4,249,372)</u>	<u>(4,249,372)</u>

15 Capital commitments

The company had no capital commitments at 31 December 2003 (2002 - £nil).

16 Provisions for liabilities and charges

The amounts provided for deferred tax are as follows:

	Provided		Unprovided	
	2003 £	2002 £	2003 £	2002 £
Accumulated tax losses	-	-	(1,152,891)	(1,115,320)
Accelerated capital allowances	-	-	-	(65,322)
Other	-	-	1,656	1,343
	<u>-</u>	<u>-</u>	<u>(1,151,235)</u>	<u>(1,179,299)</u>

17 Pensions arrangements

The company is a participator in the CRCA Staff Benefits Plan, a pension scheme shared by several independent radio companies and associated businesses. The scheme is a defined contribution scheme.

The pension cost for the year was £nil (2002 - £313).

Contributions outstanding at the year end amounted to £nil (2002 - £nil).

18 Contingent liability

The company guaranteed the bank borrowing of its parent company and fellow subsidiaries. These borrowings are secured by a fixed and floating charge over the assets of the company.

Notes to the accounts (continued)

19 Related party disclosures

As a subsidiary undertaking of The Wireless Group plc, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" from disclosing transactions with other members of the group headed by The Wireless Group plc. There were no other transactions which fall to be disclosed under the terms of FRS 8.

20 Ultimate parent company

The immediate parent company is Independent Radio Group Limited.

The directors regard The Wireless Group plc, a company incorporated in England and Wales as the ultimate parent company and the ultimate controlling party.

The Wireless Group plc is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the consolidated accounts of The Wireless Group plc are available from 18 Hatfields, London, SE1 8DJ.