

TIML Radio Holdings Limited

Annual report and

financial statements

for the

year ended

31 December 2012

Registered number: 03359692

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TIML Radio Holdings Limited

Directors and Advisors

Directors:

Amba Preetham Parigi
Oliver Guy Blackaby

Secretary:

Adrian Robinson

Independent auditors:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

Registered office:

One Golden Square
London
W1F 9DJ

TIML Radio Holdings Limited

Directors' report for the year ended 31 December 2012

The directors present their annual report and the audited financial statements of the company (Registered number 03359692) for the year ended 31 December 2012

Principal activities

The principal activity of the company is that of a holding company

Review of business and future developments

The company did not actively trade in 2012 and is not expected to do so in 2013

Results and dividends

The company's loss for the year, after taxation, was £4.8m (2011 £5.369m). In arriving at the loss for the year an impairment provision of £4.8m (2011 £5.369m) on the company's investment in subsidiaries has been charged. Further details are set out in note 5 to the financial statements.

No dividend was declared or paid during the current or preceding year.

Key performance indicators ("KPIs")

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Directors and directors' interests

The directors of the company at 31 December 2012 and appointments and resignations of directors during the year are listed on page 1.

In accordance with the Articles of Association, the directors do not retire by rotation.

Directors' and officers' liability insurance was maintained throughout the financial year in respect of the company's directors.

Going concern

In the opinion of the directors, preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company as outlined in note 1 to the financial statements.

TIML Radio Holdings Limited

Directors' report for the year ended 31 December 2012 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

Donations

No political or charitable donations were made during the year (2011: £nil)

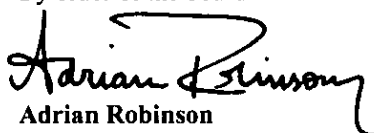
Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be considered by the board.

In the case of each of the persons who are directors at the time of this report the following applies:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of the information.

By order of the board



Adrian Robinson
Company Secretary
2 July 2013

TIML Radio Holdings Limited

Independent auditors' report to the members of TIML Radio Holdings Limited

We have audited the financial statements of TIML Radio Holdings Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

TIML Radio Holdings Limited

Independent auditors' report to the members of TIML Radio Holdings Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Kenneth Wilson

Kenneth Wilson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow

3 July 2013

TIML Radio Holdings Limited

Profit and loss account for the year ended 31 December 2012

	Notes	2012 £000	2011 £000
Investment income		-	-
Impairment provision on investments	5	(4,800)	(5,369)
Loss on ordinary activities before taxation	2	(4,800)	(5,369)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year		(4,800)	(5,369)

The results are derived wholly from continuing operations

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the losses on ordinary activities before taxation and the losses for the years stated above, and their historical cost equivalents

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

Reconciliation of movements in shareholders' funds for the year ended 31 December 2012

	Notes	2012 £000	2011 £000
Loss for the financial year		(4,800)	(5,369)
Dividends paid	4	-	-
Net reduction in shareholders' funds		(4,800)	(5,369)
Opening shareholders' funds		9,506	14,875
Closing shareholders' funds		4,706	9,506

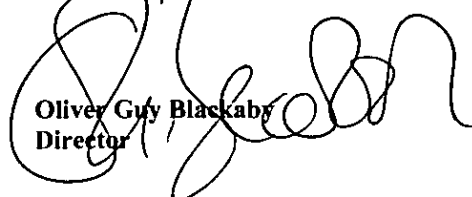
TIML Radio Holdings Limited

Balance sheet as at 31 December 2012

	Notes	2012 £000	2011 £000
Fixed assets			
Investments	5	20,200	25,000
Current assets			
Debtors	6	36	36
Creditors: amounts falling due within one year	7	(2)	(2)
Net current assets		34	34
Total assets less current liabilities		20,234	25,034
Creditors: amounts falling due after more than one year	8	(15,528)	(15,528)
Net assets		4,706	9,506
Capital and reserves			
Called up share capital	9	3,954	3,954
Share premium account	10	777	777
Profit and loss account	10	(25)	4,775
Total shareholders' funds		4,706	9,506

The accompanying notes are an integral part of this balance sheet

The financial statements on pages 6 to 12 were approved by the board of directors on 2 July 2013 and were signed on its behalf by:


Oliver Guy Blackaby
 Director

TIML Radio Holdings Limited

Notes to the financial statements

Year ended 31 December 2012

1. Accounting policies

Accounting convention and basis of preparation

These financial statements are prepared on the going concern basis as the ultimate parent undertaking has indicated that, while the company remains part of the Bennett, Coleman & Co Limited Group, it will provide sufficient financial and other support to enable the company to continue in business for a period of at least one year from the date of the board's approval of these financial statements. The financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The company is exempt from preparing consolidated financial statements by virtue of Section 400 of the Companies Act 2006 as its results are consolidated within the financial statements of its parent undertaking, TIML Global Limited, which are publicly available. Accordingly, the financial statements show information relating to the company only.

Investments

Fixed asset investments are shown at cost less any provision for impairment.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted. Deferred tax assets are only recognised to the extent that they are more likely than not to be recovered in the foreseeable future.

The taxation liabilities of certain group companies may be reduced wholly or in part by losses surrendered by other group companies. Any tax benefits arising from group relief are recognised in the accounts of the surrendering and recipient companies.

Cash flow statement

The company is a wholly-owned subsidiary within the TIML Global Limited group and its results and cash flows are included in the consolidated financial statements of TIML Global Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

Related party transactions

The company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the TIML Global Limited group.

TIML Radio Holdings Limited

Notes to the financial statements (continued)

Year ended 31 December 2012

2. Loss on ordinary activities before taxation

Auditors' remuneration costs were borne by another group company in the current and preceding years

During 2012 and 2011 the company had no employees. No director received remuneration directly from the company during the current or preceding year. The emoluments of the directors are paid by another group company which makes no recharge to TIML Radio Holdings Limited as it is not possible to make an accurate apportionment of their emoluments in respect of their services to specific group companies.

3. Tax on loss on ordinary activities

	2012 £000	2011 £000
UK corporation tax	-	-
Tax charge for the year	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 24.5% (2011 26.5%). The actual tax rate for the current and prior years differs from the standard rate for the reasons set out in the following reconciliation.

	2012 £000	2011 £000
Loss on ordinary activities before taxation	(4,800)	(5,369)
Tax credit on loss on ordinary activities at standard rate 24.5% (2011 26.5%)	1,176	1,423
Provision not deductible for tax	(1,176)	(1,423)
Current year tax charge	-	-

The company has an unrecognised deferred tax asset at 31 December 2012 of £51,000 (2011 £56,000) which primarily comprises unused deficits carried forward. Deferred tax assets are only recognised to the extent that they are more likely than not to be recovered in the foreseeable future.

During the year, a change in the UK Corporation tax rate from 26% to 24%, effective from 1 April 2012 was substantively enacted in March 2012. A further reduction to 23%, effective from 1 April 2013 was substantively enacted in July 2012 and the relevant deferred tax balances have been re-measured accordingly.

In addition to the changes in rates of Corporation tax disclosed above, a number of further changes to the UK Corporation tax system were announced in the March 2013 UK Budget statement. Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014, and to 20% from 1 April 2015 will be included in the Finance Act 2013. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The overall effect of this further change, if it applied to the deferred tax balance at the balance sheet date, would not be material.

TIML Radio Holdings Limited

Notes to the financial statements (continued) Year ended 31 December 2012

4. Dividends

	2012 £000	2011 £000
Equity dividends paid on ordinary shares	-	-

5. Fixed asset investments

	2012 £000	2011 £000
Subsidiary undertakings – at cost	30,369	30,369
Less accumulated provision for impairment	(10,169)	(5,369)
At 31 December	20,200	25,000

The Company's principal subsidiary undertakings are detailed below

Name	Principal activity	Country of incorporation	Direct shareholding
TIML Radio Limited	Commercial Radio station	England & Wales	100% of ordinary shares of £1
TIML Digital Radio Limited	Holding company	Scotland	100% of ordinary shares of £1
One Golden Square Creative Limited	Exploitation of rights in music and digital applications	England & Wales	100% of ordinary shares of £1

The directors have reviewed the carrying value of investments at 31 December 2012 in accordance with the provisions of *Financial Reporting Standard No 11 – Impairment of Assets and Goodwill*

The impairment review comprised a comparison of the carrying amount of the investment with its recoverable amount (the higher of net realisable value ("NRV") and value in use ("VIU"))
Net realisable value was determined by reference to transactions in the sector. The value in use calculations were based on cash flow projections discounted at rate of 11.4% (pre-tax)
The cash flows utilised the business's future internal revenue and cost estimates for a period of three years and then assume a terminal value for the remaining cash flows with a constant growth rate of 2.25%. The key assumptions in determining the value in use calculations are the macro-economic outlook, long term trends, industry forecasts and internal estimates

The results of the review undertaken at 31 December 2012 indicated that the value of investments had fallen necessitating an impairment provision of £4.8m (2011: £5.369m). This has been charged in arriving at the results for the year.

In the opinion of the directors, the values of the investments are at least equivalent to their carrying amounts.

TIML Radio Holdings Limited

Notes to the financial statements (continued) Year ended 31 December 2012

6. Debtors

	2012 £000	2011 £000
Amounts owed by group undertakings	36	36
	<u>36</u>	<u>36</u>

All amounts fall due within one year

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment

7. Creditors: amounts falling due within one year

	2012 £000	2011 £000
Amounts owed to group undertakings	2	2
	<u>2</u>	<u>2</u>

8. Creditors: amounts falling due after more than one year

	2012 £000	2011 £000
Amounts owed to group undertakings	15,528	15,528
	<u>15,528</u>	<u>15,528</u>

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment

9. Called up share capital

	2012 £000	2011 £000
Authorised		
(2011 39,539,150) ordinary shares of 10p each	3,954	3,954
	<u>3,954</u>	<u>3,954</u>
Allotted, called up and fully paid		
(2011 39,539,150) ordinary shares of 10p each	3,954	3,954
	<u>3,954</u>	<u>3,954</u>

TIML Radio Holdings Limited

Notes to the financial statements (continued)

Year ended 31 December 2012

10. Reserves

	Share premium account	Profit and loss account
	£000	£000
At 1 January 2012	777	4,775
(Loss) for the financial year	-	(4,800)
At 31 December 2012	777	(25)

11. Group and ultimate parent undertaking

The company is a wholly owned subsidiary of its immediate parent undertaking TIML Golden Square Limited, a company incorporated in England

The ultimate parent undertaking is Bennett, Coleman & Co Limited, a company incorporated and operating in India and which does not prepare consolidated financial statements

The smallest and largest group into which the results of the company are consolidated is that headed by TIML Global Limited, a company incorporated in England. These financial statements are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ