

# **News Outdoor Limited**

**Report and Financial Statements  
28 June 2009**

**Registered number. 3812930**

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## **Directors' report**

**For News Outdoor Limited for the year ended 28 June 2009 (registered number 3812930)**

The Directors present their annual report on the affairs of News Outdoor Limited ("the Company") together with the financial statements and auditors' report for the 52 weeks ended 28 June 2009 ("the year")

### **Principal activity**

The principal activity of the Company is that of an investment holding company within the Newscorp Investments group

### **Business review**

A business review has not been completed for the Company because it is defined under Section 382 of the Companies Act as a small company

### **Principal risks and uncertainties facing the business**

A summary of the principal risks and uncertainties facing the Company has not been completed because it is defined under Section 382 of the Companies Act as a small company

### **Results and dividends**

The Company's profit for the financial year was £1,153,000 (2008 £2,040,000) No interim ordinary dividend was paid in 2009 (2008 - £Nil) and the Directors do not recommend the payment of a final dividend (2008-£Nil)

### **Directors and their interests**

The Directors of the Company who served during the year were as follows

S W Daintith (resigned 17 July 2008)  
M C Gill  
R Hoare  
S L Panuccio (appointed 17 July 2008)  
E A Mirylees (resigned 28 January 2009)  
M Pompadur (resigned 28 January 2009)

Except as noted above, all Directors served throughout the year and are still Directors at the date of this report

The Articles of Association do not require Directors to retire either by rotation or in the year of appointment

None of the Directors have interests in shares in group companies, or any other interests that require disclosure in accordance with Companies Act law

News Corporation has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report

### **Charitable and political contributions**

The Company has made no charitable or political contributions in the year (2008 - £Nil)

### **Auditors**

The Directors have passed a resolution to dispense with the requirement to reappoint auditors annually Ernst & Young LLP are deemed to be reappointed as auditors in the absence of a notice that the appointment is to be terminated

## Directors' report - continued

### Statement of 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 and of the profit or loss for that period. In preparing those financial statements, the Directors are required to

- select suitable accounting policies and 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 financial statements, 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 proper accounting records which 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.

### Director's statement of disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Director's Report are listed on page 1. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware, and
- each Director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information

By order of the Board



M C Gill  
Director

1 Virginia Street  
London  
E98 1XY

12 October 2009

## **Independent Auditors' report**

**To the members of News Outdoor Limited**

We have audited the financial statements of News Outdoor Limited for the year ended 28 June 2009 which comprise the Profit and Loss Account, Balance Sheets and the related notes 1 to 8. 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).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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 directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 and 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 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 (APB's) Ethical Standards for Auditors.

### **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.

### **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 28 June 2009 and of its profit 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.

### **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 parent company 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.

*Ernst & Young LLP*

Tony McCartney (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Cambridge

15/10/09.

**Profit and loss account**  
**For the year ended 28 June 2009**

	Notes	2009 £'000	2008 £'000
Interest receivable and similar income	2	1,153	2,040
<b>Profit on ordinary activities before taxation</b>		1,153	2,040
Tax on profit on ordinary activities	5	-	-
<b>Profit for the financial year</b>	7	1,153	2,040

There are no recognised gains and losses other than the profit attributable to shareholders of the Company of £1,153,000 for the year ended 28 June 2009 (2008 - £2,040,000)

Details of movements in reserves are shown in note 7

All operations of the Company continued throughout both years and no operations were acquired or discontinued

The notes to the financial statements are an integral part of this profit and loss account

## Balance sheet

As at 28 June 2009

	Notes	2009 £'000	2008 £'000
<b>Current assets</b>			
Debtors	6	34,885	33,732
		<hr/>	<hr/>
<b>Net current assets</b>		34,885	33,732
		<hr/>	<hr/>
<b>Net assets</b>		34,885	33,732
		<hr/>	<hr/>
<b>Equity capital and reserves</b>			
Called-up share capital	7	31,687	31,687
Profit and loss account	7	3,198	2,045
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>	7	34,885	33,732
		<hr/>	<hr/>

The financial statements on pages 4 to 9 were approved by the Board of Directors on 12 October 2009 and signed on its behalf by



M C Gill  
Director

12 October 2009

The notes to the financial statements are an integral part of this balance sheet

# Notes to the financial statements

28 June 2009

## 1 Principal accounting policies

### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Principles

The financial statements of the Company are made up to the Sunday closest to the 30 June each year. Consequently, the financial statements for the current period cover 52 weeks ended 28 June 2009

In preparing the financial statements for the current year, the Company has noted the amendment to FRS 8 'Related Party Disclosures' which became mandatory for all accounting periods beginning on 6 April 2008. However this does not have an effect on the Company because, as a wholly owned subsidiary undertaking of News Corporation whose financial statements are readily available, the Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' not to disclose transactions with other members of the group headed by News Corporation.

The principal accounting policies have been applied consistently throughout the year and the preceding year.

### Cash flow statement

The Company is exempt from the requirement of FRS 1 'Cash Flow Statements' to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary undertaking of a body corporate, and a consolidated cash flow statement is included in the financial statements of News Corporation, the ultimate parent company.

### 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 substantively enacted by the balance sheet date.

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 a right to pay less or to receive more, tax.

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 future reversal of 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.

### Related party transactions

As a wholly owned subsidiary undertaking of News Corporation, whose financial statements are publicly available, the Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' not to disclose transactions with other members of the group headed by News Corporation.

## 2 Interest receivable and similar income

	2009 £'000	2008 £'000
Interest income on amounts due from group undertakings	1,153	2,040



## Notes to the financial statements – continued

### 3 Directors' Emoluments

	2009 £'000	2008 £'000
Emoluments	134	-
Retirement benefits accruing under defined contribution schemes	15	-
	<hr/>	<hr/>
	149	-
	<hr/>	<hr/>

The number of Directors who were members of the defined benefit pension scheme was as follows

	2009 Number	2008 Number
Defined benefit schemes	1	1
	<hr/>	<hr/>

Certain Directors are remunerated by other Companies in the Newscorp Investments Group. These emoluments are disclosed in another Group Company's financial statements.

### 4 Auditors' remuneration

	2009 £'000	2008 £'000
Remuneration of the auditors is further analysed as follows		
Audit of the financial statements	6	6
	<hr/>	<hr/>

Auditors' remuneration, including amounts payable for non-audit services, is borne by another group undertaking.

### 5 Tax on profit on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on the ordinary activities for the year is £Nil (2008 £Nil). The enacted UK tax rate applicable from 1 April 2008 reduced to 28% from 30%. The difference between the tax assessed and the standard rate of corporation tax of 28% (2008 – 29.5%) is explained below.

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	1,153	2,040
	<hr/>	<hr/>
Corporation tax at 28% (2008 - 29.5%)	323	602
Group relief claimed	(323)	(602)
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>

## Notes to the financial statements - continued

### 6 Debtors

	2009 £'000	2008 £'000
Amounts due from group undertakings	34,885	33,732

### 7 Equity capital and reserves

#### a) Called-up share capital

	2009 £'000	2008 £'000
Authorised, allotted and fully-paid 31,687,486 ordinary shares of £1 each	31,687	31,687

#### b) Reserves

	Profit and loss account £'000
Beginning of the year	2,045
Profit for the financial year	1,153
End of the year	3,198

#### c) Reconciliation of movements in shareholders' funds

	2009 £'000	2008 £'000
Profit for the financial year	1,153	2,040
Net addition to shareholders' funds	1,153	2,040
Opening shareholders' funds	33,732	31,692
Closing shareholders' funds	34,885	33,732

## **Notes to the financial statements - continued**

### **8 Ultimate parent company**

The Company's immediate parent company is Lyntress Limited, a company incorporated in England and Wales

The ultimate parent company is News Corporation, a company incorporated in Delaware

The largest group in which the results of the Company are consolidated is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY10036. The smallest group in which they are consolidated is that headed by Newscorp Investments, a company incorporated in England and Wales. The consolidated financial statements of these groups are available to the public and may be obtained from 1 Virginia Street, London, E98 1FN.