

**Registered number**  
**3823436**

**ntl RADIO SERVICES LIMITED**

**Report and Accounts**

**31 December 2003**



**ntl RADIO SERVICES LIMITED**

**Registered number**

**3823436**

**Directors**

R M Mackenzie

D Anthony

**Company Secretary**

R M Mackenzie

**Deputy Company Secretary**

G E James

**Auditors**

Ernst & Young LLP

1 More London Place

London

SE1 2AF

**Bankers**

National Westminster Bank PLC

PO Box 9

31 Promenade

Cheltenham

Gloucs

GL50 1LH

**Solicitors**

Travers Smith Braithwaite

10 Snow Hill

London

EC1A 2AL

**Registered Office**

ntl House

Bartley Wood Business Park

Hook

Hampshire RG27 9UP

**ntl RADIO SERVICES LIMITED**  
**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2003.

**RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £478,000 (2002 - loss of £541,000). The directors do not recommend the payment of a dividend (2002 - £nil).

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is to provide digital radio broadcasting services.

**DIRECTORS AND THEIR INTERESTS**

The directors who served during the year and thereafter and their interests in the share capital of the company were as follows:

D Anthony

R M Mackenzie

The directors had no interest in the share capital of the company requiring disclosure under the Companies Act 1985. The company seeks exemption under SI802, The Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985, not to disclose the directors' interests in the common stock of NTL Incorporated, a company incorporated in the United States of America and the ultimate parent undertaking of the company.

**AUDITORS**

Ernst & Young LLP will be re-appointed as the company's auditor in accordance with the elective resolution passed by the company under section 386 of the Companies Act 1985.

By order of the board



R M Mackenzie  
Company Secretary

~~9 DEC 2004~~

6 JAN 2005

**ntl RADIO SERVICES LIMITED****STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

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 period. 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;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ntl RADIO SERVICES LIMITED**

We have audited the company's accounts for the year ended 31 December 2003, which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, and the related notes 1 to 10. These accounts have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with United Kingdom law and Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### **Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
London

~~59 DEC 2004~~

7 JAN 2005

**ntl RADIO SERVICES LIMITED**  
**Profit and Loss Account**  
**for the year ended 31 December 2003**

	Notes	2003 £'000	2002 £'000
Operating expenses		(478)	(541)
<b>Loss on ordinary activities before taxation</b>	2	<u>(478)</u>	<u>(541)</u>
Taxation	3	-	-
<b>Retained loss for the financial year</b>	8	<u>(478)</u>	<u>(541)</u>


All operations are continuing.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

The company had no recognised gains or losses other than those reflected in the profit and loss account for the years ended 31 December 2003 and 31 December 2002.

**ntl RADIO SERVICES LIMITED**  
**Balance Sheet**  
**as at 31 December 2003**

	Notes	2003 £'000	2002 £'000
<b>Current assets</b>			
Debtors	4	842	761
Cash at bank and in hand		143	103
		<u>985</u>	<u>864</u>
Creditors: amounts falling due within one year	5	(160)	(432)
		<u></u>	<u></u>
<b>Net current assets</b>		825	432
Creditors: amounts falling due after more than one year	6	(3,153)	(2,282)
		<u></u>	<u></u>
<b>Net liabilities</b>		<u>(2,328)</u>	<u>(1,850)</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account	8	(2,329)	(1,851)
		<u></u>	<u></u>
<b>Equity shareholders' deficit</b>	8	<u>(2,328)</u>	<u>(1,850)</u>

  
R M Mackenzie  
Director

~~5 DEC 2004~~

6 JAN 2005

**ntl RADIO SERVICES LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2003**

## **1 Accounting policies**

### ***Fundamental accounting concept***

The accounts have been prepared on the going concern basis because the ultimate parent undertaking has given the necessary assurances such that sufficient resources will be made available for the foreseeable future so that the company can meet its liabilities as and when they fall due.

### ***Basis of preparation***

The accounts are prepared under the historical cost convention, in accordance with applicable United Kingdom accounting standards.

### ***Deferred taxation***

Deferred taxation 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, with the following exceptions:

- (a) provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold;
- (b) provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable; and
- (c) 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.

### ***Cash flow statement***

The company has taken advantage of the exemption under FRS 1 (revised) not to prepare a cash flow statement as it is a subsidiary which is at least 90% controlled by the ultimate parent undertaking (see note 10).

## **2 Loss on ordinary activities before taxation**

The directors' and auditors' remuneration is paid by ntl Group Limited and disclosed in the accounts of NTL (UK) Group, Inc.

ntl Group Limited, a fellow group undertaking, employs most of the employees of the NTL Group. Details of staff numbers and staff costs for the group are disclosed in the accounts of ntl Group Limited. The company does not have any directly employed associates.



**ntl RADIO SERVICES LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2003**

**3 Taxation**

There is no corporation taxation charge in the year due to losses incurred (2002 - £nil).

**(a) Tax on loss on ordinary activities**

The tax charge is made up as follows:

	2003 £'000	2002 £'000
<b>Current tax charge:</b>		
Current tax on income for the period	-	-
	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
	<u>-</u>	<u>-</u>
<b>Total tax charge on loss on ordinary activities</b>	<u>-</u>	<u>-</u>

**(b) Factors affecting current tax charge**

The difference between the effective statutory rate and the actual current tax charge is reconciled as follows:

	2003 £'000	2002 £'000
<b>Loss on ordinary activities before tax</b>	<u>(478)</u>	<u>(541)</u>
Loss on ordinary activities multiplied by the applicable statutory rate 30% (2002 - 30%)	(143)	(162)
Group relief surrendered for nil payment	<u>143</u>	<u>162</u>
<b>Total current tax charge</b>	<u>-</u>	<u>-</u>

**(c) Factors that may affect future tax charges**

Deferred tax assets have not been recognised in respect of tax losses of £555,332 as there is insufficient certainty as to the availability of future taxable profits.

**4 Debtors**

	2003 £'000	2002 £'000
Prepayments and accrued income	<u>842</u>	<u>761</u>

**ntl RADIO SERVICES LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2003**

<b>5 Creditors: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	160	155
Other taxes and social security costs	-	277
	<u>160</u>	<u>432</u>

<b>6 Creditors: amounts falling due after one year</b>	<b>2003</b>	<b>2002</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to group undertakings	1,576	870
Amounts owed to parent undertakings	<u>1,577</u>	<u>1,412</u>
	<u>3,153</u>	<u>2,282</u>

<b>7 Share capital</b>	<b>2003</b>	<b>2002</b>
	<b>£'000</b>	<b>£'000</b>
Authorised:		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
Allotted, called up and fully paid:		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

**8 Reconciliation of shareholders' deficit and movements on reserves**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 January 2002	1	(1,310)	(1,309)
Loss for the year	-	(541)	(541)
At 1 January 2003	<u>1</u>	<u>(1,851)</u>	<u>(1,850)</u>
Loss for the year	-	(478)	(478)
At 31 December 2003	<u>1</u>	<u>(2,329)</u>	<u>(2,328)</u>

**9 Related party transactions**

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with group undertakings as a subsidiary undertaking which is at least 90% controlled by the ultimate parent undertaking.

**ntl RADIO SERVICES LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 December 2003**

**10 Parent undertaking and controlling party**

The company's immediate parent undertaking is ntl Digital Radio Limited.

The company's results are included in the group accounts of ntl Digital Limited, copies of which may be obtained from ntl, ntl House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP.

The ultimate parent undertaking and controlling party is NTL Incorporated, a company incorporated in the state of Delaware, United States of America.

Copies of the group accounts of NTL Incorporated, which include the results of the company, are available from The Secretary, NTL Incorporated, ntl House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP.