
PROCK LICENCE (NTRLRSL) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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PROCK LICENCE (NTRLRSL) LIMITED

COMPANY INFORMATION

DIRECTORS	MD Connole SG Miron RFJ Park
COMPANY SECRETARY	CR Potterell
COMPANY NUMBER	3823436
REGISTERED OFFICE	30 Leicester Square London WC2H 7LA
AUDITOR	KPMG LLP Statutory auditor & Chartered accountants 15 Canada Square London E14 5GL

PROCK LICENCE (NTRLRSL) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Statement of Directors' responsibilities	3
Independent auditor's report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 10

PROCK LICENCE (NTRLRSL) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

The Directors present their report and the financial statements for the year ended 31 March 2011

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The Company, a subsidiary of Global Radio UK Limited (the Group), owns a digital service provider license to operate a digital radio service and does so in conjunction with GCAP Media (FPRL) Limited who operated the Planet Rock radio station which was also a wholly owned subsidiary of GCap Media Digital Limited until the 4 June 2008 when the trade and assets of GCAP Media (FPRL) was sold to a consortium

The Company has not traded in the year

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £NIL (2010 - £25,000)

There were no dividends paid or proposed during the year (2010 £nil)

DIRECTORS

The Directors who served during the year were

MD Connole
SG Miron
RFJ Park

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no political or charitable donations or incurred any political expenditure during the year (2010 £nil)

PRINCIPAL RISKS AND UNCERTAINTIES

Market conditions

The key risk to the business is that an advertising slowdown may put pressure on traditional revenues

The risks are monitored and managed through parent and local management

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Directors benefit from qualifying third party indemnity provisions in place

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

PROCK LICENCE (NTRLRSL) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 22 August 2011 and signed on its behalf



MD Connole
Director

30 Leicester Square
London
WC2H 7LA

PROCK LICENCE (NTRLRSL) LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2011**

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 elected to prepare 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROCK LICENCE (NTRLRSL) LIMITED

We have audited the financial statements of Prock Licence (NTRLRSL) Limited for the year ended 31 March 2011, set out on pages 5 to 10. 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 Chapter 3 of Part 16 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 AUDITOR

As explained more fully in the Statement of Directors' responsibilities, 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 March 2011 and of its results 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.

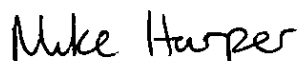
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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 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.



Mike Harper (Senior Statutory Auditor)

for and on behalf of

KPMG LLP

Statutory auditor

Chartered accountants

15 Canada Square

London

E14 5GL

23 August 2011

PROCK LICENCE (NTRLRSL) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 £000	2010 £000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities	5	-	25
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	8	-	25
		<hr/>	<hr/>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

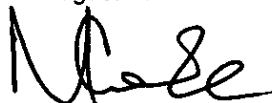
The notes on pages 7 to 10 form part of these financial statements

PROCK LICENCE (NTRLRSL) LIMITED
REGISTERED NUMBER 3823436

BALANCE SHEET
AS AT 31 MARCH 2011

	Note	2011 £000	2010 £000
CREDITORS amounts falling due within one year	6	(6,106)	(6,106)
NET LIABILITIES		<u>(6,106)</u>	<u>(6,106)</u>
CAPITAL AND RESERVES			
Called up share capital	7	1	1
Profit and loss account	8	(6,107)	(6,107)
SHAREHOLDERS' DEFICIT	9	<u>(6,106)</u>	<u>(6,106)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 August 2011



MD Connole
Director

The notes on pages 7 to 10 form part of these financial statements

PROCK LICENCE (NTRLRSL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

1.3 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Directors' Report on page 1. The Company participates in the group centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Global Radio group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2014 ("the forecast"). The Board considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Company can continue to trade for the foreseeable future and operate within its new facility and the associated financial covenants.

At 31 March 2011 the Company had net liabilities of £6,106,000. The Directors have received suitable representations from Global Radio UK Limited that it will continue to provide sufficient financial support to enable the Company to continue to trade for the foreseeable future and to not seek repayment of intercompany loans for a period of not less than 12 months from the date of approval of these financial statements.

2 PROFIT

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed, as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Global Radio UK Limited. The audit fee in respect of the Company was £1,000 (31 March 2010: £1,000).

3 STAFF COSTS

The Company does not directly employ any staff (2010: nil)

PROCK LICENCE (NTRLRSL) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

4. DIRECTORS' REMUNERATION

During the year ended 31 March 2011 MD Connole, RFJ Park and SG Miron received remuneration from Global Radio Services Limited and the majority of their time was spent on services to Global Radio UK Limited, the ultimate parent company. Details of their remuneration as directors of Global Radio UK Limited are disclosed in that company's accounts.

None of the Directors received remuneration in respect of qualifying services to this Company (2010 £nil).

5. TAXATION

	2011 £000	2010 £000
UK corporation tax charge/(credit) on profit for the year	-	(25)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%). The differences are explained below.

	2011 £000	2010 £000
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	-	-
Effects of:		
Adjustments to tax charge in respect of prior periods	-	(25)
Current tax charge/(credit) for the year (see above)	-	(25)

Factors that may affect future tax charges

On 23 March 2011 the Chancellor announced the reduction in the main rate of UK corporation tax to 26 per cent with effect from 1 April 2011. This change became substantively enacted on 29 March 2011 and therefore the effect of the rate reduction creates a reduction in any deferred tax asset / liability. The Chancellor also proposed changes to further reduce the main rate of corporation tax by one per cent per annum to 23 per cent by 1 April 2014, but these changes have not yet been substantively enacted and therefore are not included in the figures above. The impact of the future rate reductions will be accounted for to the extent that they are enacted at the balance sheet date, however it is estimated that this will not have a material effect on the Company.

There are no unrecorded deferred tax assets or liabilities.

PROCK LICENCE (NTRLRSL) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

6. CREDITORS

Amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to group undertakings	6,106	6,106

7. SHARE CAPITAL

	2011 £000	2010 £000
Allotted, called up and fully paid		
1,000 Ordinary shares shares of £1 each	1	1

8. RESERVES

	Profit and loss account £000
At 1 April 2010 and 31 March 2011	(6,107)

9 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2011 £000	2010 £000
Opening shareholders' deficit	(6,106)	(6,131)
Profit for the year	-	25
Closing shareholders' deficit	(6,106)	(6,106)

10 CONTINGENT LIABILITIES

Contingent liabilities as at the balance sheet date were as follows

- a) Various inter-group cross guarantees held by Bank of Scotland, Bank of Ireland and Allied Irish bank
- b) The Company is a member of a group for VAT purposes, resulting in a joint and several liabilities for amounts owing by other group companies for unpaid VAT

PROCK LICENCE (NTLRSL) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

11. RELATED PARTY TRANSACTIONS

As the Company is a wholly owned subsidiary of Global Radio UK Limited (the ultimate parent company) the Company has taken advantage of the exemption contained within FRS 8 'Related party disclosures' and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Global Radio UK Limited (the ultimate parent company), within which this Company is included, can be obtained from the address given below. There were no other related party transactions during the year.

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Directors regard Global Radio UK Limited, a company incorporated in Great Britain and registered in England and Wales, as the Company's ultimate parent undertaking.

The Directors consider that Global Radio Group Limited, a company incorporated in Jersey, is the ultimate controlling party of the Company.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Radio UK Limited, the ultimate parent company which is incorporated in Great Britain. The consolidated financial statements of this company are available to the public and may be obtained from 30 Leicester Square, London WC2H 7LA.