

**Trader Media (Earls Court) Holdings Limited**  
**(formerly Trader Media (TNT) Holdings Limited)**

Directors' report and financial statements for the year ended 30 March 2008

Registered number 3943514

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## Directors' report

For the year ended 30 March 2008

The directors present their annual report on the affairs of the company, together with the audited financial statements for the year ended 30 March 2008

### Principal activity and business review

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

Following a strategic review, the company's former ultimate parent company, Guardian Media Group plc, decided to rebalance its portfolio of businesses. On 8 June 2007 GMG (TMG) Limited (formerly Trader Media Group Limited) sold a 49.9% interest in Trader Media Group Limited (formerly Trader Media Investments Limited), an intermediate parent company, to Apax Crystal A Holdco Sàrl and Apax Crystal B1 Holdco Sàrl (together "Apax", one of the world's leading private equity groups). Additional disclosure on the disposal is given in the publicly available consolidated financial statements of Trader Media Group Limited. The company remains a wholly owned subsidiary of Trader Media Group Limited but Guardian Media Group plc's interest in the business is now 50.1%.

During the year the company received a £10.0 million capital contribution from Trader Media (Earls Court) Group Limited, its parent company, and made a loan back for the same value.

On 26 February 2008, the company sold its entire investment in Trader Media (TNT) Limited for cash consideration of £5.0 million and loan notes of £1.3 million. The carrying value of the investment prior to disposal was impaired to the net proceeds received for it. The loan notes were assigned to Trader Publishing Limited, an intermediate parent company, on 28 March 2008 at their net book value for intercompany consideration.

On 26 February 2008 the company changed its name to Trader Media (Earls Court) Holdings Limited.

The directors consider the state of affairs and the year end financial position to be satisfactory.

### Financial risk management

The company meets the criteria of a small company as set out in the Companies Act 1985. Consequently, the company has taken advantage of the exemption available under Schedule 7(5A) of the Companies Act 1985 from making disclosures on financial risk management.

### Results and dividends

The company's profit for the financial year was £505,000 (2007: loss £10,605,000), which will be transferred to reserves.

The directors do not recommend the payment of a final dividend (2007: £nil).

### Directors

The directors who served during the year and up to the date of the signing of the financial statements were as follows:

A A	Miller	
S	Glithero	
T	Peake	(Appointed 1 June 2007 and resigned 6 March 2008)

### Directors indemnities

The group maintains liability insurance for its directors and officers.

1 TRADER MEDIA (EARLS COURT) HOLDINGS LIMITED  
(formerly Trader Media (TNT) Holdings Limited)

## Directors' report (continued)

For the year ended 30 March 2008

### Statement of directors' responsibilities

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 financial statements, 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 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, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 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.

### Statement of disclosure of information to auditors

The directors confirm, so far as each director is aware, that there is no relevant audit information of which the company's auditors are unaware. Each director has taken all the steps that he ought to have taken in his duty 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 that information.

6, Thatcham Business Village  
Colthrop Lane  
Thatcham  
Berkshire  
RG19 4LW

19 June 2008

On behalf of the Board,



A A Miller  
Director

# Independent auditors' report to the members of Trader Media (Earls Court) Holdings Limited (formerly Trader Media (TNT) Holdings Limited)

We have audited the financial statements of Trader Media (Earls Court) Holdings Limited (formerly Trader Media (TNT) Holdings Limited) for the year ended 30 March 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

## Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). 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 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.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 March 2008 and of its profit for the year then ended, have been properly prepared in accordance with the Companies Act 1985, and the information given in the directors' report is consistent with the financial statements.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Reading

19 June 2008

# Profit and loss account

For the year ended 30 March 2008

	Note	2008 £'000	2007 £'000
<b>Turnover</b>		-	-
Administrative expenses		(3,677)	(24,524)
<b>Operating loss</b>		(3,677)	(24,524)
Income from shares in group undertakings		4,173	13,920
Interest receivable and other income		10	-
Interest payable and similar charges		(1)	(1)
<b>Profit / (loss) on ordinary activities before taxation</b>	2	505	(10,605)
Tax on profit / (loss) on ordinary activities	5	-	-
<b>Retained profit / (loss) on ordinary activities after taxation, being retained profit / (loss) for the financial year</b>	11,12	505	(10,605)

There are no recognised gains or losses other than those included in the results above, accordingly no statement of total recognised gains and losses is presented

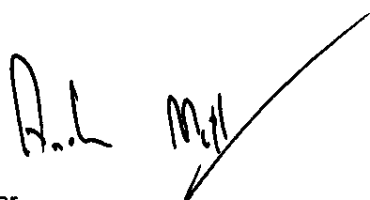
There are no material differences between the loss on ordinary activities before taxation and the retained profit / (loss) for the financial year stated above and their historical cost equivalents

All results arise from continuing activities in both years

**Balance sheet**  
As at 30 March 2008

	Note	2008 £'000	2007 £'000
<b>Fixed assets</b>			
Investments	6	-	9,573
<b>Current assets</b>			
Debtors	7	3,369	-
<b>Creditors</b> Amounts falling due within one year	8	(263)	(6,639)
<b>Net current assets / (liabilities)</b>		<u>3,106</u>	<u>(6,639)</u>
<b>Total assets less current liabilities</b>			2,934
<b>Creditors</b> . Amounts falling due after more than one year	9	-	(10,333)
<b>Net assets / (liabilities)</b>		<u>3,106</u>	<u>(7,399)</u>
<b>Capital and reserves</b>			
Called-up share capital	10	4,346	4,346
Capital contribution reserve	11	10,000	-
Profit and loss account	11	(11,240)	(11,745)
<b>Equity shareholder's funds / (deficit)</b>	12	<u>3,106</u>	<u>(7,399)</u>

The financial statements on pages 4 to 12 were approved by the board of directors on 19 June 2008 and were signed on its behalf by



A A Miller  
Director

## Notes to the financial statements

For the year ended 30 March 2008

### 1 Accounting policies

#### Basis of accounting

These financial statements are prepared under the historical cost convention, in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom

During the year, an amendment to Financial Reporting Standard 3 *Reporting Financial Performance* became effective, and has been adopted by the company. There is no impact on the financial statements arising from the adoption of this amendment.

The principal accounting policies are set out below all of which have been applied consistently throughout the year and the preceding year.

#### Cash flow statement

The company is a wholly owned subsidiary of Trader Media Group Limited, a company incorporated in England and Wales, and the cash flows of the company are included in the consolidated accounts of that company, which are publicly available. Consequently the company has taken advantage of the exemption available under paragraph 5 of Financial Reporting Standard 1 *Cash Flow Statements (revised 1996)* from preparing a cash flow statement.

#### Investments

Investments are shown at cost less provision for impairment. Dividends received are credited to the profit and loss account in the period in which they are approved by shareholders.

Annually, the directors consider whether any events or circumstances have occurred that could indicate that the carrying amount of investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the higher of net realisable value or value in use. If this is the case, an impairment charge is recorded to reduce the carrying value of the related investment.

#### Related party transactions

Under the provisions of Financial Reporting Standard 8 *Related Party Disclosures*, the company is exempt from the requirement to disclose details of certain related party transactions as it is a wholly owned subsidiary of Trader Media Group Limited, whose consolidated financial statements are publicly available.

#### Taxation

UK corporation 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.

## Notes to the financial statements (continued)

For the year ended 30 March 2008

### 1 Accounting policies (continued)

#### Deferred taxation

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred on the balance sheet date

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all evidence available, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

### 2 Profit / (loss) on ordinary activities before taxation

Profit/(loss) on ordinary activities is stated after charging/(crediting)

	2008 £'000	2007 £'000
Impairment of investment (note 6)	3,677	24,524
Interest receivable on vendor loan notes	(10)	-
Interest payable on inter group balances	<u>1</u>	<u>1</u>

Fees payable for the audit of the company's financial statements of £2,000 (2007 £1,500) have been borne by a fellow group company

### 3 Employee information

The average number of persons (excluding directors) employed during the year was nil (2007 nil). As such, no staff costs arose during either year



## Notes to the financial statements (continued)

For the year ended 30 March 2008

### 4 Directors' remuneration

The directors who served in the year, the companies for which they received remuneration for their services as directors and the financial statements in which their remuneration is disclosed are as follows

Director	Services as director of 2008	Disclosure 2008	Services as director of 2007	Disclosure 2007
A A Miller	Trader Media Group Limited and subsidiary undertakings <sup>1</sup>	Trader Media Group Limited <sup>1</sup>	GMG (TMG) Limited and subsidiary undertakings <sup>2</sup>	GMG (TMG) Limited <sup>2</sup>
T Peake	Trader Media (Earls Court) Group Limited and subsidiary undertakings <sup>3</sup>	Trader Media (Earls Court) Group Limited <sup>3</sup>	-	-
S Glithero	Trader Media Group (2003) Limited and subsidiary undertakings	Trader Media Group (2003) Limited	Trader Media Group Limited and subsidiary undertakings <sup>1</sup>	Trader Media Group Limited <sup>1</sup>

<sup>1</sup> Trader Media Group Limited formerly Trader Media Investments Limited

<sup>2</sup> GMG (TMG) Limited formerly Trader Media Group Limited

<sup>3</sup> Trader Media (Earls Court) Group Limited formerly Trader Media (TNT) Group Limited

The remuneration of all directors was paid by Trader Publishing Limited. The allocation of this remuneration in relation to their services as directors of the company is £66,000 (2007: £nil).

# Notes to the financial statements (continued)

For the year ended 30 March 2008

## 5 Tax on profit / (loss) on ordinary activities

	2008 £'000	2007 £'000
<b>Current taxation</b>		
UK corporation tax	-	-
<b>Current taxation charge for the year</b>	-	-

The differences between the total current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit / (loss) before taxation are as follows

	2008 £'000	2007 £'000
<b>Profit / (loss) on ordinary activities before taxation</b>	<b>505</b>	<b>(10,605)</b>
Tax on profit / (loss) on ordinary activities at the standard UK corporation taxation rate of 30% (2007 30%)	152	(3,181)
Expenses not subject to taxation	1,103	7,357
Income not subject to taxation	(1,252)	(4,176)
Group relief	(3)	-
<b>Current taxation charge for the year</b>	<b>-</b>	<b>-</b>

The company earns its profits entirely in the UK, therefore the rate used for taxation is the standard rate for UK corporation tax. All deferred taxation is provided for in full.

# Notes to the financial statements (continued)

For the year ended 30 March 2008

## 6 Fixed asset investments

Shares in  
subsidiary  
undertakings  
£'000

### Cost

At beginning of year	34,333
Disposals	(34,333)

At end of year	-
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### Provision for impairment

At beginning of year	24,760
Charged to the profit and loss account	3,677
Disposals	(28,437)

At end of year	-
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### Net book value

At end of year	-
At beginning of year	9,573

On 26 February 2008, the company sold its investment in Trader Media (TNT) Limited for cash consideration of £5,000,000 and loan notes of £1,300,000. The investment was written down to its net realisable value prior to the disposal.

## 7 Debtors

2008	2007
£'000	£'000

Amounts due from group undertakings	3,369	-
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These balances are non-interest bearing, unsecured and are repayable on demand.

## 8 Creditors: Amounts falling due within one year

2008	2007
£'000	£'000

Amounts owed to group undertakings	-	6,639
Accruals	263	-
	263	6,639

These balances are non-interest bearing, unsecured and are repayable on demand.

## 10 TRADER MEDIA (EARLS COURT) HOLDINGS LIMITED (formerly Trader Media (TNT) Holdings Limited)

# Notes to the financial statements (continued)

For the year ended 30 March 2008

## 9 Creditors Amounts falling due after more than one year

	2008 £'000	2007 £'000
Amounts owed to group undertakings	-	10,333

These balances are non-interest bearing, unsecured and have no fixed repayment date

## 10 Called-up share capital

	2008 £	2007 £
<i>Authorised, allotted, called-up and fully paid</i>		
4,346,600 ordinary shares of £1 each	4,346,600	4,346,600

## 11 Reserves

	Capital contribution		Profit and loss account	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
At beginning of year	-	-	(11,745)	(1,140)
Retained profit/(loss) for the financial year	-	-	505	(10,605)
Capital contribution from parent company	10,000	-	-	-
At end of year	10,000	-	(11,240)	(11,745)

## 12 Reconciliation of movements in equity shareholder's funds/(deficit)

	2008 £'000	2007 £'000
Opening equity shareholder's (deficit)/funds	(7,399)	3,206
Retained profit/(loss) for the financial year	505	(10,605)
Capital contribution from parent company	10,000	-
Closing equity shareholder's funds/(deficit)	3,106	(7,399)

## 13 Contingent liabilities – financial guarantees

On 8 June 2007 the company's intermediate holding company, Trader Media Corporation Limited, repaid its existing debt and borrowed under a new syndicated debt facility. The company and certain other subsidiaries of Trader Media Corporation have jointly and severally guaranteed the borrowings under the new syndicated debt facility. Details of these arrangements are included in the financial statements of Trader Media Group Limited and Trader Media Corporation Limited.

## Notes to the financial statements (continued)

For the year ended 30 March 2008

### 14 Ultimate controlling parties

The company's immediate parent company is Trader Media (Earls Court) Group Limited, (formerly Trader Media (TNT) Group Limited) which is incorporated in Great Britain and registered in England and Wales

The smallest group in which the results of the company were consolidated was that headed by Trader Media Corporation (2003) Limited. The largest group in which the results of the company were consolidated was that headed by Trader Media Group Limited. The consolidated financial statements of both groups are available to the public and will be filed with the registrar of companies.

The company is ultimately controlled by Guardian Media Group plc (indirectly holding 50.1% of the ordinary shares), Apax Crystal A Topco Sàrl (indirectly holding 18.614% of the ordinary shares) and Apax Crystal B1 Topco Sàrl (indirectly holding 30.371% of the ordinary shares). Apax Crystal A Topco Sàrl and Apax Crystal B1 Topco Sàrl are incorporated under the laws of Luxembourg and Guardian Media Group plc incorporated in Great Britain.