

Hampson Radio Limited  
Financial Statements  
for the year ended 31 May 2001

Company Number: 4004291



# Hampson Radio Limited

## Company information

Company number	4004291
Directors	Mr W R Wilson (Chairman) Mr A W F Steenberg Mr M Woodhead
Secretary	Mr A W F Steenberg
Registered office	Apsley House Wellington Street Leeds LS1 2EQ
Auditors	PricewaterhouseCoopers Benson House 33 Wellington Street Leeds LS1 4JP

# Hampson Radio Limited

## Financial Statements

for the year ended 31 May 2001

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# Hampson Radio Limited

## Directors' report

The directors submit their report and the audited financial statements for the period ended 31 May 2001.

### 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to prepare the financial statements on the basis that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 May 2001 and that applicable accounting standards have been followed.

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 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.

### Results and dividends

The loss on the ordinary activities of the Company amounted to £287,000 and has been transferred to reserves. The directors do not recommend payment of a dividend.

### Principal activity and business review

The principal activity of the company is that of the production and sale of in-store radio programming.

The company was incorporated on 30 May 2000. On 5 June 2000, it changed its name from Hampson GFM Ltd to Hampson Radio Ltd. In June 2000, the businesses previously carried on by Hampson Associates Ltd, Hampson Associates Broadcast Ltd and Hampson Media Limited were transferred into the company.

On 22 June 2001, the company was purchased by IMC Media Limited, a wholly owned subsidiary of TEAMtalk Media Group plc.

### Directors and their interests

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

London Law Services Limited - appointed 30 May 2000, resigned 30 May 2000;

Mr P Hampson - appointed 30 May 2000, resigned 22 June 2001;

Mrs E Hampson - appointed 30 May 2000, resigned 22 June 2001;

Mr W R Wilson - appointed 22 June 2001;

Mr A W F Steenberg - appointed 22 June 2001;

Mr M Woodhead - appointed 22 June 2001.

At 31 May 2001, the directors in office owned 1 share each in the company, representing the entire issued share capital.

# Hampson Radio Limited

## Auditors

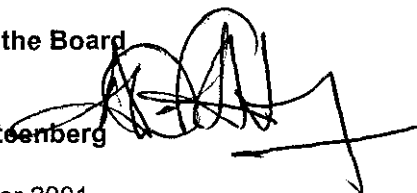
On 22 June 2001, PricewaterhouseCoopers were appointed as the auditors to the company. A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting.

By order of the Board

Mr A W F Steenberg

Secretary

25 September 2001

A handwritten signature in black ink, appearing to be 'A W F Steenberg', written over the printed name. The signature is stylized with loops and a long horizontal stroke at the end.

# Hampson Radio Limited

## Auditors' report to the members of Hampson Radio Limited

We have audited the financial statements on pages 4 to 11.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 1, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

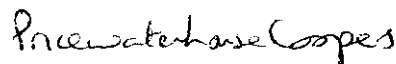
### Basis of audit opinion

We conducted our audit in accordance with 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 financial statements. It also includes an assessment of the significant estimates and judgements 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 of the state of the company's affairs at 31 May 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
LEEDS  
25 September 2001

# Hampson Radio Limited

## Profit and loss account

for the year ended 31 May 2001

	Notes	Year ended 31 May 2001 £'000
Turnover	2	598
Cost of sales		(412)
Gross profit		186
Administrative expenses		(473)
Operating loss and loss on ordinary activities before taxation		(287)
Tax on profit on ordinary activities	5	-
Retained loss for the financial period	11	(287)

The company had no recognised gains and losses other than the losses above and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents.

All of the trading during the year related to continuing operations as defined by Financial Reporting Standard No. 3.

# Hampson Radio Limited

## Balance sheet as at 31 May 2001

	Notes	£'000
<b>Fixed assets</b>		
Tangible assets	6	19
		19
<b>Current assets</b>		
Debtors	7	100
Cash		48
		148
<b>Creditors:</b>		
Amounts falling due within one year	8	(454)
<b>Net current liabilities</b>		(306)
<b>Net liabilities</b>		(287)
<b>Capital and reserves</b>		
Called up equity share capital	10	-
Profit and loss account	11	(287)
<b>Shareholders' funds</b>	12	(287)

The financial statements on pages 4 to 11 were approved by the board on 25 September 2001 and were signed on its behalf by:

Mr W R Wilson

Mr A W F Steenberg

**Directors**

25 September 2001



# Hampson Radio Limited

## Notes to the financial statements

for the year ended 31 May 2001

### 1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Cash flow statement**

The company is exempt from preparing a cashflow statement under FRS1 because it is a small company as defined by the Companies Act 1985.

#### **Turnover**

Turnover, which excludes value added tax, represents the invoiced value of services supplied to customers.

#### **Tangible fixed assets**

The cost of fixed assets is their purchase cost, together with any incidental expenses of acquisition. Software and development costs are capitalised where they relate to separately identifiable projects of ongoing commercial value to the Company and are depreciated over their estimated useful economic lives.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Motor vehicles	25%
Equipment	20% to 33%

#### **Operating leases**

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### **Deferred tax**

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

# Hampson Radio Limited

## Notes to the financial statements

for the year ended 31 May 2001 (continued)

### 2 Segmental analysis

The company operated in one area of activity, the production and sale of in-store radio content. It operates within the United Kingdom.

### 3 Operating profit

£'000

The operating profit is stated after charging /(crediting):

Operating lease rentals in respect of plant or machinery	2
Other operating lease rentals	4
Audit fee	3
Depreciation of tangible fixed assets	4

There were no employees during the period.

### 4 Directors' emoluments

The remuneration of the directors of the company for the period ended 31 May 2001 was as follows:

£'000

Aggregate emoluments	25
Amounts paid to related parties	56
	81

No other benefits were payable to the directors.

### 5 Tax on profit on ordinary activities

There is no tax charge as no chargeable profits arose in the year.

### 6 Tangible fixed assets

	Equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>			
At 30 May 2000	-	-	-
Additions	21	2	23
<b>At 31 May 2001</b>	<b>21</b>	<b>2</b>	<b>23</b>
<b>Depreciation</b>			
At 30 May 2000	-	-	-
Charged in the period	3	1	4
<b>At 31 May 2001</b>	<b>3</b>	<b>1</b>	<b>4</b>
<b>Net book value at 31 May 2001</b>	<b>18</b>	<b>1</b>	<b>19</b>

# Hampson Radio Limited

## Notes to the financial statements

for the year ended 31 May 2001 (continued)

### 7 Debtors

	£'000
Trade debtors	64
Other debtors	26
Prepayments and accrued income	10
	100

### 8 Creditors: amounts falling due within one period

	£'000
Trade creditors	136
Accrual expenses & deferred income	318
	454

### 9 Deferred taxation

No deferred taxation is provided for in the financial statements. The unprovided deferred tax asset is as follows:

Tax effect on timing differences because of:

	£'000
Losses	102

### 10 Share capital

	£'000
<b>Authorised</b>	
1,000 ordinary shares of £1 each	1
<b>Allotted, called up and fully paid</b>	
At 30 May 2000, 2 ordinary shares of £1	-
At 31 May 2001	-

### 11 Profit and loss account

	£'000
On incorporation	-
Loss for the period	(287)
At 31 May 2001	(287)

# Hampson Radio Limited

## Notes to the financial statements

for the year ended 31 May 2001 (continued)

### 12 Reconciliation of movement in shareholders' funds

	£'000
Loss for the period	(287)
Opening shareholders' funds	-
Closing shareholders' funds	(287)

### 13 Operating lease commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial period:

	Land and buildings £'000	Other £'000
Expiring:		
Within two to five years	9	5
	9	5

# Hampson Radio Limited

## Notes to the financial statements

for the year ended 31 May 2001 (continued)

### 14 Related party transactions

At the end of the period, the company was jointly owned by the directors, Mr P Hampson and Mrs E Hampson. They also jointly own other companies: Hampson Associates Limited, Hampson Associate Broadcast Limited and Hampson Media Limited. The directors brought together the various business streams carried out by each company into Hampson Radio Limited during the year and this has given rise to a number of related party transactions.

The names of the related parties, nature of these transactions and their total value is shown below:

	Value of transactions £'000	Receivable/(payable) at period end £'000
Mr P Hampson, director in the period		
Rent paid	(2)	-
Mrs E Hampson, director in the period		
Rent paid	(2)	-
Hampson Associates Ltd, common ownership		
Provision of employees	(90)	-
Royalties	(80)	-
Purchase of fixed assets	(10)	-
Turnover payable	164	-
Hampson Associate Broadcast Ltd, common ownership		
Consultancy charges	(235)	(235)
Installation services	(26)	-
Hampson Media Limited		
Sales commissions	(32)	-
Voice overs	(29)	-
Provision of employees	(30)	-

### 15 Controlling party

At 31 May 2001, the company was jointly controlled by Phil and Eunice Hampson, who were directors of the company for the year ended 31 May 2001.

### 16 Post balance sheet event

On 22 June 2001, the entire share capital of the company was acquired by IMC Media Limited, a company registered in England and wholly owned by TEAMtalk Media Group plc.

## **Hampson Radio Limited**

### **17 Contingent liability**

The company had an unresolved claim in respect of disputed royalty payments.

Whilst this position remains unresolved, following the acquisition of the company by TEAMtalk Media Group plc, warranties have been obtained from the vendors providing for a limit of this claim against the company.