

# **Emap Radio (Holdings) Limited**

(Formerly Emap Performance (Holdings) Limited)

## **Financial Statements**

**For the six month period ended 30 September 2004**

**Company Registered No. 4327363**



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**Emap Radio (Holdings) Limited**  
**Index to the Financial Statements**  
**For the six month period ended 30 September 2004**

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## **Emap Radio (Holdings) Limited**

### **Board of Directors and Officials**

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<b>Directors</b>	N Folland A B Phillips	(appointed 22 April 2005)
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<b>Company Secretary</b>	M L Hogg
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<b>Registered Office</b>	Wentworth House Wentworth Street Peterborough PE1 1DS
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<b>Company Number</b>	4327363
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<b>Auditors</b>	PricewaterhouseCoopers LLP No 1 Embankment Place LONDON WC2N 6RH
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# Emap Radio (Holdings) Limited

## Directors' Report

### For the six month period ended 30 September 2004

The directors submit their report and accounts for the six month period ended 30 September 2004.

#### Results and dividends

The profit for the six month period after taxation amounted to £72,208,000 (year ended 31 March 2004: loss of £15,951,000). An interim dividend of £53,000,000 (year ended 31 March 2004: £nil) was declared in the six month period. The directors do not recommend the payment of a final dividend (year ended 31 March 2004: £nil).

#### Principal activity, review of the business and future developments

The company's principal activity is, and it is intended will continue to be, an investment holding company. In May 2005, the company changed its accounting reference date from 31 March to 30 September. On 18 October 2005, the Company changed its name from Emap Performance (Holdings) Limited to Emap Radio (Holdings) Limited.

#### Directors and their interests

The current directors are shown on page 1. The directors who served during the six month period were:

G W Hughes (resigned 22 April 2005)  
A B Phillips

The directors have no interest in the share capital of the company.

The interests of the directors in the share capital of the ultimate parent company, Emap plc, at the beginning and at the end of the six month period were as follows:

	Ordinary shares in issue	
	At 1 April 2004	At 30 September 2004
G W Hughes	47,973	52,137
A B Phillips	2,538	3,539

	Ordinary shares under option			
	At 1 April 2004	Granted in period	Lapsed / exercised in period	At 30 September 2004
G W Hughes	306,671	52,332	-	359,003
A B Phillips	153,487	25,628	-	179,115

	Executive Share Plan under Trust			
	At 1 April 2004	Allocated in period	Released / rescinded in period	At 30 September 2004
A B Phillips	6,224	-	(6,224)	-

# **Emap Radio (Holdings) Limited**

## **Directors' Report**

### **For the six month period ended 30 September 2004**

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#### **Statement of Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume 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 six month period ended 30 September 2004 and that applicable accounting standards have been followed, subject to any material departures explained and disclosed 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 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.

#### **Insurance of directors**

Throughout the period Directors' and Officers' liability insurance has been maintained by the ultimate parent company, Emap plc.

#### **Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. The Company has elected under section 386 of the Companies Act 1985 not to re-appoint auditors annually. Therefore the auditors, PricewaterhouseCoopers LLP are deemed to be re-appointed for the next financial year.

Signed on behalf of the Board of Directors:



**M L Hogg**  
**Secretary**

Approved by the Board on

*22 June*, 2006

# **Emap Radio (Holdings) Limited**

## **Independent Auditors' Report**

### **For the six month period ended 30 September 2004**

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#### **Independent auditors' report to the members of Emap Radio (Holdings) Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 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. The other information comprises only the directors' report.

#### **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.

#### **Adverse Opinion**

As explained in note 1, the company has not prepared consolidated financial statements for its group as required by Financial Reporting Standard 2.

In view of the effect of the failure to produce consolidated accounts, in our opinion the financial statements do not give a true and fair view of the state of the group's affairs at 30 September 2004 and of its profit for the six months then ended.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2004 and of its profit for the six month period then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London

22 June, 2006

**Emap Radio (Holdings) Limited**  
**Profit and Loss Account**  
**For the six month period ended 30 September 2004**

	Notes	Period ended 30 September 2004 £'000	Year ended 31 March 2004 £'000
Income from fixed asset investments		80,000	-
<b>Profit on ordinary activities before interest and taxation</b>		<b>80,000</b>	<b>-</b>
Interest receivable and similar income		888	-
Interest payable and similar charges	8	(12,020)	(22,787)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>68,868</b>	<b>(22,787)</b>
Tax on profit/(loss) on ordinary activities	3	3,340	6,836
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>72,208</b>	<b>(15,951)</b>
Dividends	4	(53,000)	-
<b>Retained profit/(deficit absorbed) for the period</b>	11, 12	<b>19,208</b>	<b>(15,951)</b>

- (i) There are no recognised gains and losses or historical cost profits and losses other than those stated above.  
(ii) All activities relate to continuing operations.  
(iii) The notes on pages 8 to 11 form part of the financial statements.

**Emap Radio (Holdings) Limited**  
**Balance Sheet**  
**At 30 September 2004**

	Notes	At 30 September 2004 £'000	At 31 March 2004 £'000
<b>Fixed assets</b>			
Investments	5	447,000	447,000
<b>Current assets</b>			
Debtors	6	120,318	36,090
Creditors: amounts falling due within one year	7	(77,119)	(24,119)
<b>Net current assets</b>		<b>43,199</b>	<b>11,971</b>
<b>Total assets less current liabilities</b>		<b>490,199</b>	<b>458,971</b>
Creditors - amounts falling due after more than one year	8	(252,589)	(240,569)
<b>Net assets</b>		<b>237,610</b>	<b>218,402</b>
<b>Capital and reserves</b>			
Called up share capital - equity	10	10	10
Share premium account	11	232,990	232,990
Profit and loss account	11	4,610	(14,598)
<b>Total shareholders' funds</b>	12	<b>237,610</b>	<b>218,402</b>

Signed on behalf of the Board of Directors:

  
**A B Phillips**  
**Director**

Approved by the Board on 22 June, 2006

*The notes on pages 8 to 11 form part of the financial statements.*



**Emap Radio (Holdings) Limited**  
**Information on Cash Flow**  
**For the six month period ended 30 September 2004**

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**Cash Flow Statement**

	<b>Period ended</b>	<b>Year ended</b>
	<b>30 September 2004</b>	<b>31 March 2004</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net cash inflow from operating activities</b>	-	-
	<hr/>	<hr/>

**Reconciliation of operating profit to net cash flow from operating activities**

	<b>Period ended</b>	<b>Year ended</b>
	<b>30 September 2004</b>	<b>31 March 2004</b>
	<b>£'000</b>	<b>£'000</b>
Operating profit	80,000	-
Increase in debtors	(80,000)	-
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	-	-
	<hr/>	<hr/>

# **Emap Radio (Holdings) Limited** **Notes to the accounts** **For the six month period ended 30 September 2004**

## **1 Accounting policies**

### **Accounting convention**

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable UK accounting standards subject to any material departures disclosed and explained below. A summary of the principal accounting policies adopted by the directors are set out below.

### **Group accounts**

Group accounts have not been prepared as subsidiary undertakings may be excluded from consolidation:

- when their inclusion is not material for the purpose of giving a true and fair view as permitted by section 229(2) of the Companies Act; and
- when information necessary for the preparation of the group accounts cannot be obtained without disproportionate expense or undue delay as permitted by section 229(3) (b) of the Companies Act.

This departs from the requirements under FRS 2 Accounting for Subsidiary Undertakings to prepare group accounts, which does not permit the exclusion of subsidiary undertakings from consolidation on the basis of disproportionate expense or undue delay.

This departure has arisen from the company's change in accounting reference date. In future accounting periods, the company will be exempt from preparing consolidated accounts as permitted by section 228(1) of the Companies Act 1985.

### **Fixed asset investments**

Investments in group undertakings are stated at cost less provision for permanent diminution in value.

The company's principal activity is that of an investment holding company and therefore the income from the fixed asset investment is treated as operating income.

### **Convertible Debt**

Convertible debt is stated at the fair value of the consideration received upon issue, less the amount of issue costs. Thereafter, the difference between that amount and the total payments required to be made under the debt (interest and repayment of principal) represents the total finance cost, which is charged to the profit and loss account at a constant rate on the carrying amount over the term of the debt, on the assumption that the debt will never be converted. The carrying value of the debt is increased annually by the amount of the finance cost relating to that period, and reduced by the amount of payments made.

## **2 Operating profit**

The audit fee was borne by Emap plc.

The company employed no staff during the six month period other than the directors (year ended 31 March 2004: nil). None of the directors received any payment for their services as directors of the company.

## **3 Tax on profit/(loss) on ordinary activities**

	<b>Period ended</b> <b>30 September 2004</b>	<b>Year ended</b> <b>31 March 2004</b>
	<b>£'000</b>	<b>£'000</b>
Corporation tax - group relief payment received for losses at 30% (year ended 31 March 2004: 30%)	<b>3,340</b>	<b>6,836</b>

The difference between tax as per the financial statements and tax at the UK nominal rate is explained below:

	<b>Period ended</b> <b>30 September 2004</b>	<b>Year ended</b> <b>31 March 2004</b>
	<b>£'000</b>	<b>£'000</b>
Profit/(loss) before tax	<b>68,868</b>	<b>(22,787)</b>
Tax (charge)/credit at 30%	<b>(20,660)</b>	<b>6,836</b>
Non taxable income	<b>24,000</b>	<b>-</b>
<b>Current tax credit for the period</b>	<b>3,340</b>	<b>6,836</b>

**Emap Radio (Holdings) Limited**  
**Notes to the accounts**  
**For the six month period ended 30 September 2004**

**4 Dividends**

	Period ended 30 September 2004 £'000	Year ended 31 March 2004 £'000
Dividend proposed	53,000	-

**5 Fixed asset investments**

	Subsidiaries £'000
At 1 April 2004 and 30 September 2004	447,000

Fixed asset investments represent the company's 100% holding in the ordinary share capital of Emap Radio Limited (formerly Emap Performance Limited), a company registered in England and Wales.

**6 Debtors**

	At 30 September 2004 £'000	At 31 March 2004 £'000
Amounts owed by ultimate parent undertaking	11,064	6,836
Amounts owed by other group undertakings	109,254	29,254
	120,318	36,090

Amounts owed by the ultimate parent and other group undertakings are unsecured, bearing interest at the LIBOR rate (year ended 31 March 2004 - interest free) and have no fixed date of repayment.

**7 Creditors: amounts falling due within one year**

	At 30 September 2004 £'000	At 31 March 2004 £'000
Proposed dividend payable to immediate parent undertaking	53,000	-
Accrued interest on loan note	24,119	24,119
	77,119	24,119

**8 Creditors - amounts falling due after more than one year**

Amounts owed to group undertakings

	At 30 September 2004 £'000	At 31 March 2004 £'000
Convertible loan notes	217,336	216,748
Accrued interest on loan note	35,253	23,821
	252,589	240,569

The company issued, on 23 November 2001, a loan note in the sum of £251,764,705 (principal amount) for an issue price of £214,000,000. The loan note gives the holder the right to subscribe for preference shares at the rate of one £1 preference share, for each £1 of the principal amount on 23 November in each year from and including 23 November 2003. The subscribed number at each of these points in time will be equal to the liability the loan note stands at in the accounts of the company at that date.

The final redemption date is 23 November 2031 at which time the company will pay the holder, unless previously repaid or converted, the full principal amount.

During the 6 month period, the Company incurred interest payable and similar charges of £12,020,000 (year ended 31 March 2004 - £22,787,000) in respect of the loan note.

**Emap Radio (Holdings) Limited**  
**Notes to the accounts**  
**For the six month period ended 30 September 2004**

**9 Convertible loan note**

	At 30 September 2004 £'000	At 31 March 2004 £'000
Amounts falling due:		
Principal sum due in more than five years	251,765	251,765
Less finance charges allocated to future periods	(34,429)	(35,017)
<b>Total amount due at the end of the period</b>	<b>217,336</b>	<b>216,748</b>

Interest being paid on the principal at a rate of 9.58%.

**10 Called up share capital - equity**

The company's share capital at 1 April 2004 and at 30 September 2004 comprised:

	Authorised No. ('000)	Allotted, issued and fully paid £'000
Ordinary shares of £1 each	100	10
Preference shares of £1 each	260,000	-

Holders of £1 preference shares are entitled to a cumulative preferential dividend equal to the preferential dividend rate as defined in the Company's articles of association in respect of each year or part year ending on 23 November and proportionately for any part of a year from the date of issue of the relevant preference share. They are also entitled in priority to any payment to the holders of any other class of shares to the repayment of £1 per share together with all accrued but unpaid preference dividends thereon up to but not including the date of such return of capital.

There are no further rights of participation in the profits or assets of the company and preference share holders have no rights to receive notice of, attend, speak or vote at any general meeting of the Company, except where the resolution proposed is one abrogating, varying or modifying any of the rights or privileges of the holders of the preference shares. They then only have rights in respect of that particular resolution.

**11 Reserves**

	Share Premium £'000	Profit & Loss account £'000
At 1 April 2004	232,990	(14,598)
Retained profit for the period	-	19,208
<b>At 30 September 2004</b>	<b>232,990</b>	<b>4,610</b>

**12 Reconciliation of movement on shareholders' funds**

	At 30 September 2004 £'000	At 31 March 2004 £'000
Opening shareholders' funds	218,402	234,353
Retained profit/(deficit absorbed) for the period	19,208	(15,951)
<b>Closing shareholders' funds</b>	<b>237,610</b>	<b>218,402</b>

**Emap Radio (Holdings) Limited**  
**Notes to the accounts**  
**For the six month period ended 30 September 2004**

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**13 Related party transactions**

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemption available under FRS 8 "Related Party Disclosures".

**14 Post Balance Sheet Event**

On 30 September 2005, the holder of the company's loan note of £251,764,705 was given the right to subscribe for preference shares of £1 each, at the rate of £1 preference share for each £1 of the loan note.

**15 Ultimate parent company**

The immediate parent company is Emap Holdings Limited.

The ultimate parent company of the group of undertakings for which group financial statements are drawn up of which the company is a member is Emap plc, registered in England and Wales. Copies of Emap plc's financial statements can be obtained from Wentworth House, Wentworth Street, Peterborough, PE1 1DS.