

NI Recruitment Holdings Limited
(formerly News Shelf 1 Limited)

Report and Financial Statements
31 December 2007

Registered number: 5891303

TUESDAY



ASCZ6Z3L

A64

22/04/2008

116

COMPANIES HOUSE

Contents

	Page
Directors' report	1
Independent Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6

Directors' report

For the period ended 31 December 2007

The Directors present their report on the affairs of NI Recruitment Holdings Limited ("the Company") together with the financial statements and auditors' report for the period ended 31 December 2007

Principal activity

The principal activity of the Company is the provision of finance to other companies within the Newscorp Investments group

The Company was incorporated on 31 July 2006 as News Shelf 1 Limited and changed its name to NI Recruitment Holdings Limited on 28 September 2006

The Company's main investment as at 31 December 2007 was a 100% interest in Milkround Holdings Limited

The Company commenced activity on 2 October 2006

Business review

A business review has not been completed for the Company because it is defined under Section 247 of the Companies Act as a small company

Principal risks and uncertainties facing the business

A summary of the principal risks and uncertainties facing the Company has not been completed because it is defined under Section 247 of the Companies Act as a small company

Results and dividends

The Company's loss for the financial period was £971,000

The Company does not have any distributable reserves and accordingly no dividend can be paid

Directors and their interests

The Directors of the Company who served during the period were as follows

S W Daintith	(appointed 31 July 2006)
S A Fernando	(appointed 31 July 2006, resigned 28 September 2006)
P S Hayes	(appointed 28 September 2006)
T J Hughes	(appointed 2 October 2006)
C Stone	(appointed 31 July 2006, resigned 28 September 2006)

Except as noted above, all Directors served throughout the period and are still Directors at the date of this report

The Articles of Association do not require the Directors to retire either by rotation or in the period of appointment

None of the Directors have interests in shares in group companies or any other interests that require disclosure in accordance with Companies Act law

News Corporation has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision was in force during the period and is in force as at the date of approving the Directors' Report

Charitable and political contributions

The Company has made no charitable or political contributions in the period

Auditors

The Directors have passed a resolution to dispense with the requirement to reappoint auditors annually. Ernst & Young LLP have been appointed and will be reappointed as auditors in the absence of a notice that the appointment is to be terminated

Directors' report - continued

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 its profit or loss 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 proper accounting records which 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.

Directors' statement of disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Director's Report are listed on page 1. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware, and
- each Director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information

By order of the Board



S W Daintith
Director

1 Virginia Street
London
E98 1XY

3 April 2008

Independent Auditors' report

To the members of NI Recruitment Holdings Limited

We have audited the Company's financial statements for the period ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes numbered 1 to 11. These financial statements 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

The Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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).

We report to you our opinion as to whether the financial statements give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and that 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 are 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 31 December 2007 and of its loss for the period then ended,
- the financial statements 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.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London

3 April 2008

Profit and loss account

For the period ended 31 December 2007

	Notes	2007 £'000
Interest payable and similar charges	2	(971)
Loss on ordinary activities before taxation	3	(971)
Tax on loss on ordinary activities	5	-
Loss for the financial period	10	(971)

There are no recognised gains or losses other than the loss attributable to shareholders of the Company of £971,000 in the period ended 31 December 2007

Details of movements in reserves are shown in note 10

The Company commenced activities on 2 October 2006

The notes to the financial statements are an integral part of this profit and loss account

Balance sheet

As at 31 December 2007

	Notes	2007 £'000
Fixed assets		
Investments	6	20,710
		<hr/>
Creditors: Amounts falling due within one year	7	(15,681)
		<hr/>
Net current liabilities		(15,681)
		<hr/>
Total assets less current liabilities		5,029
		<hr/>
Creditors: Amounts falling due after more than one year	8	(6,000)
		<hr/>
Net liabilities	9	(971)
		<hr/>
Equity capital and reserves		
Called-up share capital	10	-
Profit and loss account	10	(971)
		<hr/>
Equity shareholders' funds		(971)
		<hr/>

The financial statements on pages 4 to 10 were approved by the Board of Directors on 3 April 2008 and signed on its behalf by



S W Daintith
Director

3 April 2008

The notes to the financial statements are an integral part of this balance sheet

Notes to the financial statements

31 December 2007

1 Principal accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, and in accordance with United Kingdom Generally Accepted Accounting Principles

The principal accounting policies have been applied consistently throughout the period

The Company has adopted FRS 20 'Share-based Payment' for this financial year. There has been no significant impact on the Company from adopting this standard.

Going concern

The financial statements are prepared on the going concern basis because a fellow group undertaking has committed to provide support to the Company to enable it to meet its liabilities as they fall due, for the foreseeable future.

Cash flow statement

The Company is exempt from the requirement of FRS 1 'Cash Flow Statements' to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary undertaking of a body corporate and a consolidated cash flow statement is included in the financial statements of News Corporation, the ultimate parent company.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 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.

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.

Investments

Investments are stated at cost or valuation less provision for impairment.

Related party transactions

As a wholly owned subsidiary undertaking of News Corporation whose financial statements are publicly available, the Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' not to disclose transactions with other members of the group headed by News Corporation.

Notes to the financial statements - continued

2 Interest payable and similar charges

	2007 £'000
Interest on loans from group undertakings	971

3 Loss on ordinary activities before taxation

The Directors of the Company received no remuneration for their services to the Company during the period. The Directors received emoluments for their services provided to other group undertakings as disclosed in the financial statements of those companies.

The Company has no employees.

4 Auditors' remuneration

	2007 £'000
Audit of the financial statements	6

Auditors' remuneration, including amounts payable for non-audit services, is borne by another group undertaking.

5 Tax on loss on ordinary activities

a) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is £Nil. The difference between the tax assessed and the standard rate of corporation tax in the UK of 30% is reconciled below.

	2007 £'000
Loss on ordinary activities before taxation	(971)
Corporation tax at 30%	(291)
Group relief surrendered	291
Total current tax	-

b) Factors affecting future tax charge

On 21 March 2007, the Chancellor announced that with effect from 1 April 2008 the standard rate of UK Corporation tax will reduce from 30 per cent to 28 per cent.

Notes to the financial statements - continued

6 Fixed asset investments

a) Subsidiary undertakings

	2007 £'000
The movement in the period was as follows	
Cost	
Additions during the period	20,710
	<hr/>
Net book value	
	<hr/>
End of the year	20,710
	<hr/>

During the period, the Company purchased 100% of the share capital of Milkround Holdings Limited for an initial consideration of £12,710,000. As part of the purchase, the company agreed to invest a further £8,000,000 as deferred consideration which is included within the financial statements.

7 Creditors: Amounts falling due within one year

	2007 £'000
Bank overdraft	7
Due to group undertakings	13,674
Deferred consideration on the purchase of investments	2,000
	<hr/>
	15,681
	<hr/>

8 Creditors: Amounts falling due after more than one year

Deferred consideration for the purchase of investments	6,000
	<hr/>

9 Funding

The financial statements are prepared on the going concern basis.

The net liabilities of the Company are £971,000 at 31 December 2007. Newscorp Investments has confirmed its intention of providing financial support to enable the Company to meet its liabilities as they fall due for the foreseeable future.

Notes to the financial statements - continued

10 Equity capital and reserves

a) Called-up equity share capital

	2007 £
Authorised	
900 ordinary 'A' shares of £1 each	900
100 ordinary 'B' shares of £1 each	100
	<hr/>
	1,000
	<hr/>

	2007 £
Allotted and fully-paid	
90 ordinary 'A' shares of £1 each	90
10 ordinary 'B' shares of £1 each	10
	<hr/>
	100
	<hr/>

The ordinary 'A' shares of £1 each and the ordinary 'B' shares of £1 each rank pari passu

b) Reserves

	Profit and loss account £'000
Loss for the financial period	(971)
	<hr/>
End of the period	(971)
	<hr/>

c) Reconciliation of movements in shareholders' deficit

	£'000
Loss for the financial period	(971)
	<hr/>
Closing shareholders' deficit	(971)
	<hr/>

Notes to the financial statements - continued

11 Ultimate parent company

The Company's immediate parent company is News International Publishers Limited, a company incorporated in England and Wales

The ultimate parent company is News Corporation, a company incorporated in Delaware

The largest group in which the results of the Company are consolidated is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY10024. The smallest group in which they are consolidated is that headed by Newscorp Investments, a company incorporated in England and Wales. The consolidated financial statements of these groups are available to the public and may be obtained from 1 Virginia Street, London, E98 1FN.