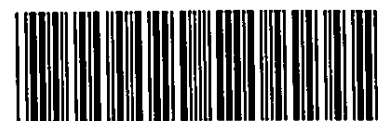


Trader Finance (2009) Limited

Directors' report and financial statements for the year ended 31 March 2013

Registered number 6765198

MONDAY



A2D5GE11

A11

22/07/2013

#6

COMPANIES HOUSE

Directors' report

For the year ended 31 March 2013

The directors present their annual report on the affairs of the company, together with the audited financial statements for the year ended 31 March 2013

Principal activity, business review and future developments

The principal activity of the company is to purchase the debt held by Trader Media Corporation Limited, a fellow group undertaking. The company may make additional purchases of the debt held by Trader Media Corporation Limited in future periods at the discretion of the directors.

During the year the company purchased part of the debt held by Trader Media Corporation Limited, a fellow group undertaking. The purchase of this debt, while at an arms length transaction from parties external to the group, was at a discount on the debt's nominal value. The nominal value of the debt purchased was £11.4 million (2012: £48.4 million) for consideration of £11.1 million (2012: £43.6 million). Transaction costs associated with the purchase of this debt were £0.1 million (2012: £0.4 million).

Throughout the year, the gain on the purchase of the debt has been realised over the period from the date of repurchase to the repayment date of the debt. The gain recorded in the current year was £2.3 million (2012: £2.0 million).

A more detailed Financial Review, future developments, principal risks and uncertainties, KPIs, donations, corporate governance reports, corporate and social responsibility report and financial risk management objectives are provided on pages 1 to 41 in the Annual Report of the company's parent company Trader Media Group Limited (registered number 4768833).

Financial risk management

The company meets the criteria of a small company as set out in the Companies Act 2006. Consequently, the company has taken advantage of the exemption available under Section 415A of the Companies Act 2006 from making disclosures on financial risk management.

Results and dividends

The company's profit for the financial year was £7,935,000 (2012: £9,232,000) which was transferred to reserves.

The directors do not recommend payment of a final dividend (2012: £nil).

Directors

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

S Glithero
T Collet
Z Byng-Maddick

Directors' indemnities

The company maintains liability insurance for its directors and officers.

Directors' report (continued)

For the year ended 31 March 2013

Statement of directors' responsibilities

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 prepared 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 judgements and accounting estimates that are reasonable and prudent,
- 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.

Disclosure of information to auditors

The directors confirm, in the case of each director in office at the date the directors' report is approved, that

- a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auto Trader House
Cutbush Park Industrial Estate
Danehill
Lower Earley
Reading
Berkshire
RG6 4UT

10 June 2013

On behalf of the Board,



S Glithero
Director

Independent auditors' report to the members of Trader Finance (2009) Limited

We have audited the financial statements of Trader Finance (2009) Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 2 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its profit 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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report.



Matthew Hall (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Reading

10 June 2013

Profit and loss account
For the year ended 31 March 2013

	Note	2013 £'000	2012 £'000
Turnover		-	-
Administrative expenses		-	-
Other operating income		2,346	2,037
Operating profit	2	2,346	2,037
Interest receivable and similar income	3	8,167	6,717
Profit on ordinary activities before taxation		10,513	8,754
Tax on profit on ordinary activities	6	(2,578)	478
Profit for the financial year	10, 11	7,935	9,232

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 profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

All results arise from continuing activities in both years

Balance sheet
As at 31 March 2013

	Note	2013 £'000	2012 £'000
Current assets			
Debtors	7	188,577	176,447
Cash at bank and in hand		8	9
		<u>188,585</u>	<u>176,456</u>
Creditors amounts falling due within one year	8	(112,669)	(108,475)
		<u>75,916</u>	<u>67,981</u>
Net assets			
Capital and reserves			
Called-up share capital	9	46,510	46,510
Profit and loss account	10	29,406	21,471
		<u>75,916</u>	<u>67,981</u>
Total shareholder's funds	11		

The financial statements on pages 4 to 10 were approved by the board of directors on 10 June 2013 and were signed on its behalf by



S Glithero
Director

Registered number 6765198

Notes to the financial statements

For the year ended 31 March 2013

1 Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

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 financial statements 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

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 related party transactions with entities that are part of Trader Media Group Limited group, or investees of the Trader Media Group Limited group

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

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

Discounted debt

Debt purchased at a discount to nominal value is stated at cost on acquisition. The difference between acquisition cost and nominal value is realised over the period to the date on which the debt is due to be redeemed using the effective interest rate method

Notes to the financial statements (continued)

For the year ended 31 March 2013

2 Operating profit

Operating profit is stated after crediting

	2013 £'000	2012 £'000
Gain on debt purchased at a discount	<u>2,346</u>	<u>2,037</u>

Fees payable for the audit of the company's financial statements have been borne by a fellow group company

3 Interest receivable and similar income

	2013 £'000	2012 £'000
On amounts due from group undertakings	8,167	6,711
On bank balances	-	6
	<u>8,167</u>	<u>6,717</u>

4 Employee information

The average number of persons (excluding directors) employed during the year was nil (2012 nil) As such, no staff costs arose during the year (2012 £nil)

5 Directors' remuneration

The emoluments of the directors have been borne by other group companies as their services provided to the company are considered incidental to services provided elsewhere within the group

The remuneration of all directors was paid by Trader Publishing Limited and not recharged The allocation of this remuneration in relation to their services as directors of the company is £51,000 (2012 £50,000)

Notes to the financial statements (continued)

For the year ended 31 March 2013

6 Tax on profit on ordinary activities

	2013 £'000	2012 £'000
Current taxation		
UK corporation tax	1,960	-
Deferred taxation		
Origination and reversal of timing differences	481	(478)
Effect of rate changes on deferred taxation	137	-
Total deferred taxation	618	(478)
Tax on profit on ordinary activities	618	(478)

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

	2013 £'000	2012 £'000
Profit on ordinary activities before taxation	10,513	8,754
Tax on profit on ordinary activities at the standard UK corporation tax rate of 24% (2012 26%)	2,523	2,276
Other timing differences	(563)	(530)
Group relief for nil consideration	-	(1,746)
Current taxation charge for the year	1,960	-

The company earns its profits entirely in the UK, therefore the rate used for taxation is the standard rate for UK corporation tax

The tax assessed for the year is lower (2012 lower) than the standard rate of corporation tax in the UK of 24% (2012 26%)

Further reductions to the UK corporation tax rate were announced in the March 2013 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 2% to 21% by 1 April 2014 and a further 1% to 20% on 1 April 2015. These changes had not been substantively enacted at the balance sheet date and are therefore not recognised in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 March 2013

7 Debtors

	2013 £'000	2012 £'000
Accrued income	887	1,058
Deferred tax asset	1,100	1,718
Amounts owed by group undertakings	186,590	173,671
	<u>188,577</u>	<u>176,447</u>

The company receives interest on the amounts due from group undertakings at a rate of LIBOR plus a margin of between 2% and 4.75% (2012: 3.25% and 5%). Amounts receivable are due for repayment in June 2015, June 2017 and December 2017 (2012: June 2017 and December 2017).

	Deferred taxation £'000
At beginning of year	1,718
Charged to the profit and loss account	(618)
At end of year	<u>1,100</u>

Deferred taxation is provided as follows

	2013 £'000	2012 £'000
Other timing differences	<u>1,100</u>	<u>1,718</u>

8 Creditors: Amounts falling due within one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	<u>112,669</u>	<u>108,475</u>

Amounts owed to group undertakings are unsecured, non-interest bearing and are repayable on demand.

9 Called-up share capital

	2013 £	2012 £
<i>Allotted, called-up and fully paid</i>		
46,510,465 ordinary share of £1 each	<u>46,510,465</u>	<u>46,510,465</u>

Notes to the financial statements (continued)

For the year ended 31 March 2013

10 Profit and loss account

	2013 £'000
At beginning of year	21,471
Profit for the financial year	7,935
At end of year	<u>29,406</u>

11 Reconciliation of movements in total shareholder's funds

	2013 £'000	2012 £'000
Opening total shareholder's funds	67,981	58,749
Profit for the financial year	7,935	9,232
Closing total shareholder's funds	<u>75,916</u>	<u>67,981</u>

12 Ultimate controlling parties

The company's immediate parent company is Trader Publishing Limited, which is incorporated in Great Britain and registered in England and Wales

The smallest group in which the results of the company are consolidated is that headed by Trader Media Corporation (2003) Limited. The largest group in which the results of the company are consolidated is 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 jointly controlled by Guardian Media Group plc (indirectly holding 50.1% of the ordinary shares), Crystal A TopCo Sarl (indirectly holding 18.50% of the ordinary shares) and Crystal B TopCo Sarl (indirectly holding 30.19% of the ordinary shares). Crystal A TopCo Sarl and Crystal B TopCo Sarl (companies operated by Apax Partners, a private equity firm) are incorporated under the laws of Luxembourg and Guardian Media Group plc is incorporated in Great Britain.