
YELL DDB APAX EUROPE IV LIMITED
ANNUAL REPORT
FOR THE PERIOD FROM
22 MARCH 2001 TO 31 DECEMBER 2001

Company Number SC217189

SCT
COMPANIES HOUSE

S98MKHZV

0411
28/01/03

YELL DDB APAX EUROPE IV LIMITED

COMPANY INFORMATION

DIRECTORS

S.N. Green
J.R. Lenane

COMPANY SECRETARY

D.W.Company Services Limited

REGISTERED OFFICE

4th Floor
Saltire Court
20 Castle Terrace
Edinburgh
Lothian
EH1 2EN

COMPANY NUMBER

SC 217189

ACCOUNTANTS

Springfords
Westfield Park
Eskbank
Edinburgh
EH22 3FB

AUDITORS

PricewaterhouseCoopers
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

LEGAL ADVISERS

Dundas and Wilson
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

YELL DDB APAX EUROPE IV LIMITED

DIRECTORS' REPORT

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001

The company was incorporated on 22 March 2001.

The company changed its name on 13 June 2001 from Dunwilco (881) Limited to Yell DDB Apax Europe IV Limited.

The Directors present their report and accounts for the period from 22 March 2001 to 31 December 2001.

PRINCIPAL ACTIVITY

The company acts as a Limited Partner of Apax Europe IV Yell DDB L.P., a Scottish Limited Partnership.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

Results for the year are set out on page 5 of the financial statements. The directors do not recommend the payment of a dividend.

The directors are pleased with the progress of the business during the period from 22 March 2001 to 31 December 2001 and consider the state of affairs at the year end and the future prospects to be satisfactory.

DIRECTORS

The following were directors of the company during the period. Their interest in the share capital of the Company was as follows :

		Ordinary Shares £1 each	
		2001	On Incorporation
Stephen Nathaniel Green	(appointed 13 June 2001)	-	-
James Richard Lenane	(appointed 13 June 2001)	-	-
D.W. Director 1 Limited	(appointed 22 March 2001, resigned 13 June 2001)	-	-
D.W. Director 2 Limited	(appointed 22 March 2001, resigned 13 June 2001)	-	-

STATEMENT OF 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 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; 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 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.

YELL DDB APAX EUROPE IV LIMITED

DIRECTORS' REPORT

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001 (continued)

SMALL COMPANY EXEMPTIONS

The directors have prepared the financial statements in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

AUDITORS

During the financial period, the directors appointed PricewaterhouseCoopers as auditors of the company. PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

By Order of the Board.



Director

18/12/2002

YELL DDB APAX EUROPE IV LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF YELL DDB APAX EUROPE IV LIMITED

We have audited the financial statements which comprise the Profit and Loss Account, the Balance Sheet and the related notes.

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 opinion has been prepared for and only for the company's members 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 in to 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 United Kingdom 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 as at 31 December 2001 and of its profit for the period from 22 March 2001 to 31 December 2001 and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditors
Edinburgh

20 January 2003

YELL DDB APAX EUROPE IV LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001

		2001
	Notes	£
Turnover		-
Administrative expenses		-
		<hr/>
Operating profit		-
Income from fixed asset investments	3	27,566
		<hr/>
Profit on ordinary activities before taxation		27,566
Taxation		(8,270)
		<hr/>
Retained profit for the period from 22 March 2001 to 31 December 2001		19,296
		<hr/> <hr/>

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

There is no difference between the retained profit for the period from 22 March 2001 to 31 December 2001 and their historical cost equivalents.

All activities relate to continuing operations.

YELL DDB APAX EUROPE IV LIMITED


BALANCE SHEET

AS AT 31 DECEMBER 2001

	Notes	2001 £
FIXED ASSETS		
Investments	4	551,611
CURRENT ASSETS		
Debtors	5	1
CREDITORS		
Amounts falling due within one year	6	(8,270)
NET CURRENT LIABILITIES		(8,269)
TOTAL ASSETS LESS CURRENT LIABILITIES		543,342
CAPITAL AND RESERVES		
Called up share capital	7	1
Capital contributions	8	524,045
Profit and loss account	9	19,296
Equity shareholder's funds	10	543,342

The directors have prepared the financial statements in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 9 were approved by the board of directors on 18 December 2002 and were signed on its behalf by:


Director
18/12/2002

YELL DDB APAX EUROPE IV LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001

1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The particular accounting policies adopted are described below.

Accounting Conventions

The financial statements have been prepared under the historical cost convention and going concern basis.

Cash Flow Statement

The company is entitled to the exemption for small companies under S.246 of the Companies Act 1985. Accordingly, no cash flow statement has been prepared.

Fixed Asset Investments

Fixed Asset Investments are stated at cost plus accrued interest and are subject to an annual impairment review.

Income from Fixed Asset Investments

Income from fixed asset investments is accounted for on an accruals basis.

Capital contributions

Capital contributions received are treated as realised profit and added to retained earnings.

2 DIRECTORS EMOLUMENTS

The directors did not receive any emoluments in the period from 22 March 2001 to 31 December 2001.

3 INCOME FROM FIXED ASSET INVESTMENTS

This represents the company's share of income from the participating interest in Apax Europe IV Yell DDB L.P., a Scottish limited partnership.

4 INVESTMENTS

	2001
	£
Addition at cost – Apax Europe IV Yell DDB L.P.	524,045
Share of income from fixed asset investment	27,566
	<hr/>
	551,611
	<hr/>

The initial investment in Apax Europe IV Yell DDB L.P, a Scottish limited partnership shown at cost represents the Limited Partner capital contribution.

The registered office of Apax Europe IV Yell DDB L.P is Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN. The accounts of Apax Europe IV Yell DDB L.P for the period from 14 June 2001 to 31 December 2001 are appended to these accounts.

YELL DDB APAX EUROPE IV LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001 (continued)

5 DEBTORS

	2001 £
Unpaid share capital	<u>1</u>

6 CREDITORS

	Due Within One Year 2001 £
Corporation tax	<u>8,270</u>

7 CALLED UP SHARE CAPITAL

	No	£
Authorised		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted and called up		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

During the year 1 ordinary share was issued. The nominal value of the share was £1 and the consideration due is reflected in debtors.

8 CAPITAL CONTRIBUTIONS

	2001 £
Capital contributions received in the period	<u>524,045</u>

9 PROFIT AND LOSS ACCOUNT

	£
Profit for the period from 22 March to 31 December 2001	<u>19,296</u>
As at 31 December 2001	<u>19,296</u>

YELL DDB APAX EUROPE IV LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 22 MARCH 2001 TO 31 DECEMBER 2001 (continued)

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	2001	£
Profit for the period from 22 March 2001 to 31 December 2001		19,296
Issue of share capital		1
Capital contributions		524,045
Opening shareholder's funds		-
		<hr/>
Closing shareholder's funds		543,342
		<hr/>

11 CONTROLLING PARTY

The company's controlling party and ultimate parent undertaking is *Apax Cayman One Limited*, a company incorporated in the Cayman Islands. *Copies of Apax Cayman One Limited financial statements can be obtained from the company secretary at Walkers, PO Box 265, Mary Street, Grand Cayman, Cayman Islands.*

12 RELATED PARTY TRANSACTIONS

The company entered into the following related party transactions in the year:

The company received a capital contribution of £524,045 from Apax Cayman One Limited, the ultimate controlling party.

The company paid a capital contribution of £524,045 to Apax Europe IV Yell DDB LP. Yell DDB Apax Europe IV Limited is a limited partner of this entity.

There are no outstanding balances due to or from related parties at the year end.

APAX EUROPE IV YELL DDB L.P.

PARTNERSHIP ACCOUNTS
FOR THE PERIOD FROM
14 JUNE 2001 TO 31 DECEMBER 2001

Partnership Number:4252

APAX EUROPE IV YELL DDB L.P.

PARTNERSHIP INFORMATION

REGISTERED OFFICE

20 Castle Terrace
Saltire Court
Edinburgh
Lothian
EH1 2EN

PARTNERSHIP NUMBER

4252

ACCOUNTANTS

Springfords
Westfield Park
Eskbank
Edinburgh
EH22 3FB

AUDITORS

PricewaterhouseCoopers
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

LEGAL ADVISERS

Dundas and Wilson
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

APAX EUROPE IV YELL DDB L.P.

PARTNERSHIP ACCOUNTS

FOR THE PERIOD FROM 14 JUNE 2001 TO 31 DECEMBER 2001

LIMITED PARTNERSHIP ACTIVITIES

The Partnership commenced trading and was registered as a Limited Partnership on 14 June 2001.

PRINCIPAL ACTIVITY

The partnerships principal activity is to carry on the business of an investor in investments and ancillary activities.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results for the year are set out on page 4 of the partnership accounts.

The general partner is pleased with the progress of the business during the period from 14 June 2001 to 31 December 2001 and considers the state of affairs at the year end and the future prospects to be satisfactory.

STATEMENT OF THE GENERAL PARTNER'S RESPONSIBILITY

The Limited Partnership Agreement requires the General Partner, Apax Cayman Three Limited, to prepare partnership accounts for each accounting period.

Company law requires the general partner to prepare partnership accounts for each financial year which give a true and fair view of the state of affairs of the limited partnership and of the profit or loss of the limited partnership for that period. In preparing those partnership accounts, the general partner is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the partnership accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The general partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the partnership and to ensure that the partnership accounts comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

During the financial period, the general partner appointed PricewaterhouseCoopers as auditors of the limited partnership. PricewaterhouseCoopers have indicated their willingness to continue in office.

By order of Apax Cayman Three Limited



Director

(in his capacity as a duly appointed alternate director for Stephen Green)
18/12/2002

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF APAX EUROPE IV YELL DDB L.P.

We have audited the financial statements which comprise the Profit and Loss Account, the Balance Sheet and the related notes.

Respective responsibilities of the General Partner and auditors

The general partner's 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 general partner's 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 opinion has been prepared for and only for the company's members 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 in to 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 Limited Partnership Agreement and the Companies Act 1985, as required by the Partnerships and Unlimited Companies (Accounts) Regulations 1993. We also report to you if, in our opinion, the Limited Partnership has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

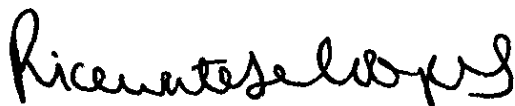
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 General Partner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Limited Partnership'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 Limited Partnership's affairs as at 31 December 2001 and of its profit for the period from 14 June 2001 to 31 December 2001 and have been properly prepared in accordance with the Limited Partnership Agreement and the Companies Act 1985, as required by the Partnerships and Unlimited Companies (Accounts) Regulations 1993.



PricewaterhouseCoopers
Chartered Accountants
Registered Auditors
Edinburgh

20 January 2003

APAX EUROPE IV YELL DDB L.P.

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD FROM 14 JUNE 2001 TO 31 DECEMBER 2001

	Notes	2001
		£
Interest receivable	2	2,756,623
Net profit before appropriations		<u>2,756,623</u>
Appropriated by Limited Partners		2,729,057
Appropriated by General Partner		<u>27,566</u>
Total appropriated by Partners		<u>2,756,623</u>

The partnership has no recognised gains and losses other than the profit above and therefore no statement of total recognised gains and losses has been presented.

There is no difference between the profit for the period from 14 June 2001 to 31 December 2001 and their historic cost equivalents.

All activities relate to continuing activities.


APAX EUROPE IV YELL DDB L.P.

BALANCE SHEET

AS AT 31 DECEMBER 2001

	Notes	2001
		£
FIXED ASSETS		
Investments	3	<u>55,161,168</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>55,161,168</u></u>
PARTNERS CAPITAL		
Partners' Capital Accounts	4	52,404,545
Partners' Appropriated Profits	4	<u>2,756,623</u>
PARTNERS' FUNDS		<u><u>55,161,168</u></u>

The financial statements on pages 4 to 8 were approved by Apax Cayman Three Limited on 18 December 2002 and were signed on its behalf by:


Director a duly appointed
(in his capacity as an alternate director for Stephen Green)
18/12/2002

APAX EUROPE IV YELL DDB L.P.

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM 14 JUNE 2001 TO 31 DECEMBER 2001

1 STATEMENT OF ACCOUNTING POLICIES

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

Basis of Accounting

The financial statements have been prepared under the historical cost basis and in accordance with accounting practices generally accepted in the United Kingdom.

Currency

The accounts have been prepared in GB pounds.

Investments in debt securities

Investments in debt securities are classified as investment securities and are stated at cost less provision for any impairment in value. This cost of dated investment securities is adjusted for the amortisation of premiums over periods to redemption and any such amortisation is included in interest receivable.

Interest receivable

Interest receivable from investments and expenses are accounted for on an accruals basis.

Taxation

No provision for taxation has been made as the individual partners are responsible for settling their own tax liabilities.

Allocation of net income, net income losses and capital gains and losses

Allocation of net income, net income losses and capital gains and losses are made in accordance with the Limited Partnership Agreement.

2 INTEREST RECEIVABLE

	2001
	£
Accrued interest receivable on deep discounted bonds	<u><u>2,756,623</u></u>

APAX EUROPE IV YELL DDB L.P.

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM 14 JUNE 2001 TO 31 DECEMBER 2001 (continued)

3 FIXED ASSET INVESTMENTS

Deep Discounted Bonds

	£
Additions at cost	52,404,545
Accrued interest	2,756,623
	<hr/>
Closing balance at 31 December 2001	55,161,168
	<hr/>

The limited partnership invested £52,404,545 in unsecured, unguaranteed, non-cash interest bearing loan notes issued by Yell Group Limited.

4 PARTNERS' CAPITAL ACCOUNTS

(a) Movement during the year

	Balance as at Registration £	Additional Capital £	Appropriation of profits £	Balance as at 31 Dec 2001 £
Apax Cayman Two Limited	980	51,355,475	2,701,491	54,057,946
Apax Cayman Three Limited	10	524,035	27,566	551,611
Yell DDB Apax Europe IV Limited	10	524,035	27,566	551,611
	<hr/>	<hr/>	<hr/>	<hr/>
Total	1,000	52,403,545	2,756,623	55,161,168
	<hr/>	<hr/>	<hr/>	<hr/>

(b) Account balances

	Capital Subscribed £	Additional Capital £	Appropriated Profits £	Total £
Apax Cayman Two Limited	980	51,355,475	2,701,491	54,057,946
Apax Cayman Three Limited	10	524,035	27,566	551,611
Yell DDB Apax Europe IV Limited	10	524,035	27,566	551,611
	<hr/>	<hr/>	<hr/>	<hr/>
Total	1,000	52,403,545	2,756,623	55,161,168
	<hr/>	<hr/>	<hr/>	<hr/>

5 ULTIMATE CONTROLLING PARTY

The immediate controlling party of the Limited Partnership is Apax Cayman Three Limited (the "General Partner"), a company incorporated in the Cayman Islands.

The ultimate controlling party is Apax Cayman One Limited, a company incorporated in the Cayman Islands.

APAX EUROPE IV YELL DDB L.P.

NOTES TO THE ACCOUNTS

FOR THE PERIOD FROM 14 JUNE 2001 TO 31 DECEMBER 2001 (continued)

6 RELATED PARTY TRANSACTIONS

The Limited Partnership entered into the following related party transactions during the period from 14 June 2001 to 31 December 2001.

The Limited Partnership received a capital contribution of £51,356,455 from Apax Cayman Two Limited, a limited partner, £524,045 from Apax of Cayman Three Limited, the general partner and £524,045 from Yell DDB Apax Europe IV Limited, a limited partner.

There were no outstanding balances due to or from related parties at the year end.