

Outdoor Images Limited

Directors' report and financial statements

For the 10 months ended 31 October 1995

Registered number 2858042



Outdoor Images Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and advisers	1
Directors' report	2-3
Statement of directors' responsibilities	4
Auditors' report	5
Profit and loss account	6
Balance sheet	7
Notes	8-14

Outdoor Images Limited

Directors and advisers

Directors

W Apfelbaum
M Karmazin
J Male
F Suleman

Secretary

J Swainson

Registered Office

10 Jamestown Road
Camden
London NW1 7BY

Auditors

KPMG
PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Outdoor Images Limited

Directors' report

The directors present their report together with the audited financial statements for the 10 months ended 31 October 1995.

Principal activities

The company is principally engaged in the production of computerised artwork for bus, rail and road advertising and providing ancillary services.

Review of the business

On 8 August 1995, the company and the company's parent company, British Transport Advertising Limited, were sold to Maiden Outdoor Advertising Limited. On 14 November 1995, British Transport Advertising Limited and the company were sold to TDI Advertising Limited. On 26 March 1996 the ultimate parent company of TDI Advertising Limited, TDI Worldwide Inc, was acquired by Infinity Broadcasting Corporation.

The company's business was transferred to TDI Advertising Limited on 31 December 1995, at which date the company ceased to trade.

Results and dividends

The loss for the period amounted to £1,000 (1994: £nil), which has been transferred from reserves.

The directors do not recommend the payment of a dividend on the ordinary shares (1994: £nil).

Directors and their shareholdings

The following were directors who served during the period:

RE Clifford	(resigned 14 November 1995)
RL Fernley	(resigned 14 November 1995)
AJ Ferrier	(resigned 14 November 1995)
JS Macey	(resigned 14 November 1995)
I Powell	(appointed 8 August 1995; resigned 14 November 1995)
RW Zeghibe	(appointed 8 August 1995; resigned 14 November 1995)
W Apfelbaum	(appointed 14 November 1995)
M Karmazin	(appointed 25 March 1996)
J Male	(appointed 14 November 1995)
F Suleman	(appointed 25 March 1996)

None of the directors had any interests in the share capital of the company during the period. With the exception of RE Clifford the interests of the remaining directors in the shares and debentures of other group companies are disclosed in the accounts of TDI Transit Advertising Limited.

RE Clifford had a beneficial interest in 10,701 shares of the company as at 1 January 1995 and nil at 31 October 1995. RE Clifford had no interests in the share capital, options to subscribe for shares or debentures of other group companies during the period.

Outdoor Images Limited

Directors' report *(continued)*

Fixed assets

Changes in the fixed assets of the company are shown in note 7 to the financial statements.

Auditors

On 8 August 1995, Pannell Kerr Forster resigned as auditors. On 28 February 1996, KPMG were appointed auditors under Section 385 of the Companies Act 1985. A resolution to appoint Coopers & Lybrand as auditors will be proposed at the next Annual General Meeting.

By order of the board



J Swainson
Secretary

10 Jamestown Road
Camden
London NW1 7BY

10th June 1996

Outdoor Images Limited

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



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London
EC4Y 8BB

Auditors' report to the members of Outdoor Images Limited

We have audited the financial statements on pages 6 to 14.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 affairs of the company as at 31 October 1995 and of its loss for the 10 month period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

28 June 1996

Outdoor Images Limited

Profit and loss account for the 10 months ended 31 October 1995

	<i>Note</i>	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
Turnover	2	792	544
Cost of sales		(566)	(370)
		<hr/>	<hr/>
Gross profit		226	174
Administrative expenses		(226)	(174)
		<hr/>	<hr/>
Operating result and result on ordinary activities before taxation	3	-	-
Taxation on result on ordinary activities	6	(1)	-
		<hr/>	<hr/>
Retained (loss)/result for the period		(1)	-
Retained result brought forward		-	-
		<hr/>	<hr/>
Retained (loss)/result carried forward		(1)	-
		<hr/>	<hr/>

All amounts relate to operations discontinued after the year end. The company had no recognised gains or losses in either period other than the (loss)/result for the period.

Outdoor Images Limited

Balance sheet
at 31 October 1995

	Note	31 October 1995		31 December 1994	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	7		13		17
Current assets					
Debtors	8	378		63	
Cash at bank and in hand		56		96	
		<u>434</u>		<u>159</u>	
Creditors: amounts falling due within one year	9	<u>(405)</u>		<u>(133)</u>	
Net current assets			<u>29</u>		<u>26</u>
Total assets less current liabilities and net assets			<u>42</u>		<u>43</u>
Capital and reserves					
Called up share capital	10		43		43
Profit and loss account			(1)		-
Equity shareholders' funds	11		<u>42</u>		<u>43</u>

These financial statements were approved by the board of directors on 10th June 1996 and were signed on its behalf by:


J Male
Director

Outdoor Images Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements covering the ten month period to 31 October 1995 have been prepared under the historical cost convention and in accordance with applicable accounting standards. The comparatives are for the fifteen months ended 31 December 1994.

Cash flow statement

The company has taken advantage of the exemption under Financial Reporting Standard No 1 not to prepare a cash flow statement as its cashflows are consolidated in the group cash flow statement prepared by its immediate parent company.

Tangible fixed assets

The cost of fixed assets is written off in equal instalments over their expected useful lives to their estimated residual values as follows:

Plant and equipment	-	5 - 10 years
Computer equipment	-	4 years
Computer software	-	4 years

Deferred taxation

Provision is made for deferred taxation, using the liability method, at expected rates of taxation on the amount of all timing differences in respect of which it is anticipated that taxation will be payable in the foreseeable future.

Turnover

Turnover is represented by gross billings net of agents' commission and excluding VAT.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the shorter of its estimated useful life and the lease term. Future instalments under such leases, net of finance charges, are included in creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account as interest, and the capital element, which reduces the outstanding obligation for future instalments.

All other leases are operating leases and the rental charges are taken to the profit and loss account on a straight line basis over the life of the lease.

Outdoor Images Limited

Notes (continued)

2 Turnover

Turnover arose from a single class of business within the United Kingdom.

3 Result on ordinary activities

Result on ordinary activities before taxation is stated after charging:

	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
Depreciation	4	4
Auditors' remuneration - audit work	2	2
Operating lease payments - other	15	18
	<u>15</u>	<u>18</u>

4 Directors' emoluments

	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
Remuneration as executives	37	46
	<u>37</u>	<u>46</u>

Emoluments disclosed above (excluding pension contributions) include amounts paid to:

	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
Chairman	-	-
	<u>-</u>	<u>-</u>
Highest paid director	37	46
	<u>37</u>	<u>46</u>

The emoluments of the remaining directors were £nil in both periods. The director's emoluments include £5,000 in respect of benefits in kind, which include the provision of a company car and private health care subscriptions.

Outdoor Images Limited

Notes (continued)

5 Staff costs

The average number of persons employed by the company during the period including directors was:

	Number of employees	
	10 months to 31 October 1995	15 months to 31 December 1994
Sales and administration	<u>5</u>	<u>4</u>

The aggregate payroll costs of these persons were as follows:

	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
Wages and salaries	63	75
Social security costs	<u>6</u>	<u>7</u>
	<u>69</u>	<u>82</u>

6 Taxation

	10 months to 31 October 1995 £000	15 months to 31 December 1994 £000
UK corporation tax at 33 % (1994: 33%) on the result for the period on ordinary activities	<u>1</u>	<u>-</u>

Outdoor Images Limited

Notes (continued)

7 Tangible fixed assets

	Office and computer equipment £000
<i>Cost</i>	
As at 1 January 1995 and 31 October 1995	21
<i>Depreciation</i>	
As at 1 January 1995	4
Charge for the period	4
As at 31 October 1995	8
<i>Net book value</i>	
As at 31 October 1995	13
As at 31 December 1994	17

8 Debtors: amounts falling due within one year

	31 October 1995 £000	31 December 1994 £000
Trade debtors	257	59
Due from parent undertaking	120	-
Other debtors	-	3
Prepayments and accrued income	1	1
	<u>378</u>	<u>63</u>

Outdoor Images Limited

Notes (continued)

9 Creditors: amounts falling due within one year

	31 October 1995 £000	31 December 1994 £000
Trade creditors	155	56
Due to parent undertaking	107	46
Corporation tax	1	-
Other taxes and social security	11	4
Accruals and deferred income	131	27
	<hr/>	<hr/>
	405	133
	<hr/>	<hr/>

10 Called up share capital

	31 October 1995 £000	31 December 1994 £000
<i>Authorised:</i>		
100,000 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted and fully paid:</i>		
42,802 ordinary shares of £1 each	43	43
	<hr/>	<hr/>

Outdoor Images Limited

Notes (continued)

11 Reconciliation of movement in shareholders' funds

	31 October 1995 £000	31 December 1994 £000
Issue of share capital	-	43
Retained (loss)/result for the period	(1)	-
Balance brought forward	43	-
	<hr/>	<hr/>
Balance carried forward	42	43
	<hr/>	<hr/>

12 Deferred taxation

No provision for deferred taxation is required at 31 October 1995. Total potential taxation liabilities not provided for amounted to £nil (1994: £nil).

13 Commitments and contingent liabilities

(a) Capital expenditure

The company had no capital expenditure commitments either contracted for or authorised as at 31 October 1995 (1994: £nil).

(b) Operating lease rentals

Due to the transfer of the business of the company on 31 December 1995, annual commitments under non-cancellable operating leases are as follows:

	31 October 1995		31 December 1994	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire:				
Within one year	2	1	11	-
Between 2-5 years	-	-	-	5
	<hr/>	<hr/>	<hr/>	<hr/>

Outdoor Images Limited

Notes *(continued)*

- 14 **Ultimate parent company and parent undertaking of larger group of which the company is a member**

As at 31 October 1995, the company was a subsidiary undertaking of The Maiden Group Limited, a company registered in England and Wales. The consolidated accounts of that company for the period ended 31 December 1995 include the results of the company for the period of ownership (8 August 1995 to 14 November 1995) and may in due course be obtained from Companies House.

The smallest group in which the results of the company for the ten months to 31 October 1995 are consolidated is that headed by TDI Transit Advertising Limited (formerly British Transport Advertising Limited). The consolidated accounts of that company are available to the public and may be obtained from Companies House.