

# **TIML Radio Holdings Limited**

**Annual report and**

**financial statements**

**for the**

**year ended**

**31 December 2011**

**Registered number: 03359692**

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# **TIML Radio Holdings Limited**

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## **Directors and Advisors**

### **Directors:**

Amba Preetham Paragi  
Oliver Guy Blackaby

### **Secretary:**

Adrian Robinson

### **Independent auditors:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
141 Bothwell Street  
Glasgow  
G2 7EQ

### **Registered office:**

One Golden Square  
London  
W1F 9DJ

# **TIML Radio Holdings Limited**

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## **Directors' report for the year ended 31 December 2011**

The directors present their annual report and the audited financial statements of the company (Registered number 03359692) for the year ended 31 December 2011

## **Principal activities**

The principal activity of the company is that of a holding company

## **Review of business and future developments**

The company did not actively trade in 2011 and is not expected to do so in 2012

## **Results and dividends**

The company's loss for the year, after taxation, was £5 369m (2010 £nil) In arriving at the loss for the year an impairment provision of £5 369m (2010 £nil) on the company's investment in subsidiaries has been charged Further details are set out in note 5 to the financial statements

No dividend was declared or paid during the current or preceding year

## **Key performance indicators ("KPIs")**

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

## **Directors and directors' interests**

The directors of the company at 31 December 2011 and appointments and resignations of directors during the year are listed on page 1

In accordance with the Articles of Association, the directors do not retire by rotation

Directors' and officers' liability insurance was maintained throughout the financial year in respect of the company's directors

## **Going concern**

In the opinion of the directors, preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company as outlined in note 1 to the financial statements

# **TIML Radio Holdings Limited**

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## **Directors' report for the year ended 31 December 2011 (continued)**

### **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 elected to prepare 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, 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 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.

### **Donations**

No political or charitable donations were made during the year (2010: £nil).

### **Independent auditors**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be considered by the board.

In the case of each of the persons who are directors at the time of this report the following applies:

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

By order of the board

  
Adrian Robinson  
Company Secretary  
20 September 2012

# **TIML Radio Holdings Limited**

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## **Independent auditors' report to the members of TIML Radio Holdings Limited**

We have audited the financial statements of TIML Radio Holdings Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Fund 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 Directors' Responsibilities Statement 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 annual report 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 December 2011 and of its loss and cash flows 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.

# **TIML Radio Holdings Limited**

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

### **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



**Kenneth Wilson (Senior Statutory Auditor)**  
**For and on behalf of PricewaterhouseCoopers LLP**  
**Chartered Accountants and Statutory Auditors**  
**Glasgow**

**20 September 2012**

# TIML Radio Holdings Limited

## Profit and loss account for the year ended 31 December 2011

	Notes	2011 £000	2010 £000
Investment income		-	-
Impairment provision on investments	5	(5,369)	-
<b>(Loss)/profit on ordinary activities before taxation</b>	2	<b>(5,369)</b>	-
Tax charge on loss on ordinary activities	3	-	-
<b>(Loss)/profit for the financial year</b>		<b>(5,369)</b>	-

The results are derived wholly from continuing operations

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the loss on ordinary activities before taxation and the profit for the years stated above, and their historical cost equivalents

The accompanying notes are an integral part of this profit and loss account

## Reconciliation of movements in shareholders' funds for the year ended 31 December 2011

	Notes	2011 £000	2010 £000
(Loss) for the financial year		(5,369)	-
Dividends paid	4	-	-
Net reduction in shareholders' funds		(5,369)	-
Opening shareholders' funds		14,875	14,875
<b>Closing shareholders' funds</b>		<b>9,506</b>	<b>14,875</b>

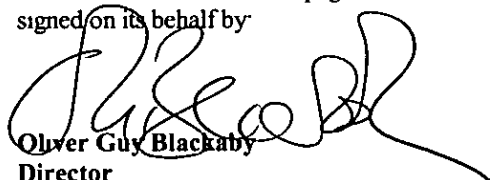
# TIML Radio Holdings Limited

## Balance sheet as at 31 December 2011

	Notes	2011 £000	2010 £000
<b>Fixed assets</b>			
Investments	5	25,000	30,369
<b>Current assets</b>			
Debtors	6	36	36
Creditors: amounts falling due within one year	7	(2)	(2)
<b>Net current assets</b>		<u>34</u>	<u>34</u>
<b>Total assets less current liabilities</b>		<b>25,034</b>	<b>30,403</b>
Creditors: amounts falling due after more than one year	8	(15,528)	(15,528)
<b>Net assets</b>		<u><b>9,506</b></u>	<u><b>14,875</b></u>
<b>Capital and reserves</b>			
Called up share capital	9	3,954	3,954
Share premium	10	777	777
Profit and loss reserve	10	4,775	10,144
<b>Total shareholders' funds</b>		<u><b>9,506</b></u>	<u><b>14,875</b></u>

The accompanying notes are an integral part of this balance sheet

The financial statements on pages 6 to 12 were approved by the board of directors on 20 September 2012 and were signed on its behalf by

  
**Oliver Guy Blackaby**  
 Director



# **TIML Radio Holdings Limited**

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## **Notes to the financial statements**

**Year ended 31 December 2011**

### **1. Accounting policies**

#### **Accounting convention and basis of preparation**

These financial statements are prepared on the going concern basis as the ultimate parent undertaking has indicated that, while the company remains part of the Bennett, Coleman & Co Limited Group, it will provide sufficient financial and other support to enable the company to continue in business for a period of at least one year from the date of the board's approval of these financial statements. The financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### **Basis of consolidation**

The company is exempt from preparing consolidated financial statements by virtue of Section 400 of the Companies Act 2006 as its results are consolidated within the financial statements of its parent undertaking, TIML Global Limited, which are publicly available. Accordingly, the financial statements show information relating to the company only.

#### **Investments**

Fixed asset investments are shown at cost less any provision for impairment.

#### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted. Deferred tax assets are only recognised to the extent that they are more likely than not to be recovered in the foreseeable future.

The taxation liabilities of certain group companies may be reduced wholly or in part by losses surrendered by other group companies. Any tax benefits arising from group relief are recognised in the accounts of the surrendering and recipient companies.

#### **Cash flow statement**

The company is a wholly-owned subsidiary within the TIML Global Limited group and its results and cash flows are included in the consolidated financial statements of TIML Global Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

#### **Related party transactions**

The company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the TIML Global Limited group.

# TIML Radio Holdings Limited

## Notes to the financial statements (continued)

Year ended 31 December 2011

### 2. Profit on ordinary activities before taxation

Auditors' remuneration costs were borne by another group company in the current and preceding years

During 2011 and 2010 the company had no employees. No director received remuneration directly from the company during the current or preceding year. The emoluments of the directors are paid by another group company which makes no recharge to TIML Radio Holdings Limited as it is not possible to make an accurate apportionment of their emoluments in respect of their services to specific group companies.

### 3. Tax charge on profit on ordinary activities

	2011 £000	2010 £000
UK corporation tax	-	-
Tax charge for the year	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 26.5% (2010 28%). The actual tax rate for the current and prior years differs from the standard rate for the reasons set out in the following reconciliation.

	2011 £000	2010 £000
(Loss) on ordinary activities before taxation	(5,369)	-
Tax (credit)/charge on profit on ordinary activities at standard rate 26.5% (2010 28%)	(1,423)	-
Provision not deductible for tax	1,423	-
Current year tax charge	-	-

The company has an unrecognised deferred tax asset at 31 December 2011 of £48,000 (2010 £56,000) which primarily comprises trading losses carried forward. Deferred tax assets are only recognised to the extent that they are more likely than not to be recovered in the foreseeable future.

During the year, a change in the UK corporation tax rate from 28% to 26%, effective from 1 April 2011 was substantively enacted in March 2011. A further reduction to 25%, effective from 1 April 2012 was substantively enacted in July 2011.

In addition to the change in rate of corporation tax disclosed above, a number of further changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement. The main corporation tax rate is to be further reduced to 24%, effective from 1 April 2012, and further reductions are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014. None of these rate reductions had been substantively enacted at the balance sheet date and, therefore, are not incorporated in these financial statements.

Had the change in rate to 22% been substantively enacted as of the balance sheet date, there would have been no significant impact on the financial statements.

# TIML Radio Holdings Limited

## Notes to the financial statements (continued) Year ended 31 December 2011

### 4. Dividends

	2011 £000	2010 £000
Equity dividends paid on ordinary shares	-	-

### 5. Fixed asset investments

	2011 £000	2010 £000
Subsidiary undertakings – at cost	30,369	30,369
Less accumulated provision for impairment	(5,369)	-
At 31 December	25,000	30,369

The Company's principal subsidiary undertakings are detailed below

Name	Principal activity	Country of incorporation	Direct shareholding
TIML Radio Limited	Commercial Radio station	England & Wales	100% of ordinary shares of £1
TIML Digital Radio Limited	Holding company	Scotland	100% of ordinary shares of £1
One Golden Square Creative Limited	Exploitation of rights in music and digital applications	England & Wales	100% of ordinary shares of £1

The directors have reviewed the carrying value of investments at 31 December 2011 in accordance with the provisions of *Financial Reporting Standard No 11 – Impairment of Assets and Goodwill*

The impairment review comprised a comparison of the carrying amount of the investment with its recoverable amount (the higher of net realisable value ("NRV") and value in use ("VIU"))  
Net realisable value was determined by reference to transactions in the sector. The value in use calculations were based on cash flow projections discounted at rate of 11.4% (pre-tax)  
The cash flows utilised the business's future internal revenue and cost estimates for a period of three years and then assume a terminal value for the remaining cash flows with a constant growth rate of 2.25%. The key assumptions in determining the value in use calculations are the macro-economic outlook, long term trends, industry forecasts and internal estimates

The results of the review undertaken at 31 December 2011 indicated that the value of investments had fallen necessitating an impairment provision of £5,369m. This has been charged in arriving at the results for the year

In the opinion of the directors, the values of the investments are at least equivalent to their carrying amounts

# TIML Radio Holdings Limited

## Notes to the financial statements (continued) Year ended 31 December 2011

### 6. Debtors

	2011 £000	2010 £000
Amounts owed by group undertakings	36	36
	<u>36</u>	<u>36</u>

All amounts fall due within one year

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment

### 7. Creditors: amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to group undertakings	2	2
	<u>2</u>	<u>2</u>

### 8. Creditors: amounts falling due after more than one year

	2011 £000	2010 £000
Amounts owed to group undertakings	15,528	15,528
	<u>15,528</u>	<u>15,528</u>

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment

### 9. Called up share capital

	2011 £000	2010 £000
<b>Authorised</b>		
39,539,150 (2010 39,539,150) ordinary shares of 10p each	3,954	3,954
	<u>3,954</u>	<u>3,954</u>
<b>Allotted, called up and fully paid</b>		
39,539,150 (2010 39,539,150) ordinary shares of 10p each	3,954	3,954
	<u>3,954</u>	<u>3,954</u>

# **TIML Radio Holdings Limited**

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## **Notes to the financial statements (continued)** **Year ended 31 December 2011**

### **10. Reserves**

	<b>Share premium</b>	<b>Profit and loss reserve</b>
	<b>£000</b>	<b>£000</b>
At 1 January 2011	777	10,144
(Loss) for the financial year	-	(5,369)
<b>At 31 December 2011</b>	<b>777</b>	<b>4,775</b>

### **11. Group and ultimate parent undertaking**

The company is a wholly owned subsidiary of its immediate parent undertaking TIML Golden Square Limited, a company incorporated in England

The ultimate parent undertaking is Bennett, Coleman & Co Limited, a company incorporated and operating in India and which does not prepare consolidated financial statements

The smallest and largest group into which the results of the company are consolidated is that headed by TIML Global Limited, a company incorporated in England. These financial statements are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ