

The Ginger Media Group Limited

**Annual report and
financial statements
for the
year ended**

31 December 2010

Registered number: 3465481

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COMPANIES HOUSE

The Ginger Media Group Limited

Directors and Advisors

Directors:

George Watt
Robert Woodward

Company Secretary:

Jane Tames

Independent auditors:

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

Registered office:

21-25 St Anne's Court
London
W1F 0BJ

The Ginger Media Group Limited

Directors' report for the year ended 31 December 2010

The directors present their report and the audited financial statements of the company (registered number 3465481) for the year ended 31 December 2010

Principal activities

The principal activity of the company is a holding company

Review of business and future developments

The company did not trade during the year and is not expected to trade in the coming year. The directors do not expect any change in the operation of this company in the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £2,351,000 (2009 £6,296,000)

The directors do not recommend the payment of a dividend (2009 £nil), leaving a profit of £2,351,000 (2009 £6,296,000) to be transferred to reserves

Directors

The directors of the company at 31 December 2010, all of whom have been directors for the whole year, except where stated, are listed on page 1

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

Directors' interests

The directors do not hold any shares in the company

The directors hold shares in STV Group plc and their interests are dealt with in the financial statements of that company

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,
- state whether applicable UK 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 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.

The Ginger Media Group Limited

Directors' report for the year ended 31 December 2010 (continued)

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

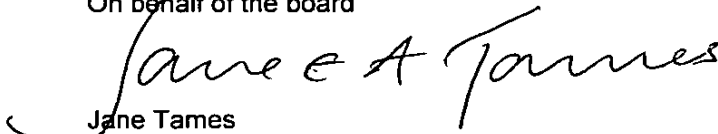
In the case of each of the persons who are directors at the time of this report the following applies:

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

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

On behalf of the board


Jane A. James
Company secretary

21 June 2011

The Ginger Media Group Limited

Independent auditors' report to the members of The Ginger Media Group Limited

We have audited the financial statements of The Ginger Media Group Limited for the year ended 31 December 2010 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.

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 2010 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.

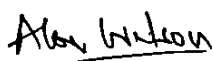
The Ginger Media Group Limited

Independent auditors' report to the members of The Ginger Media Group 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



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

22 June 2011

The Ginger Media Group Limited

Profit and loss account for the year ended 31 December 2010

	Note	2010 £000	2009 £000
Exceptional items	2	<u>2,351</u>	<u>6,296</u>
Profit on ordinary activities before taxation		2,351	6,296
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
Profit for the financial year	8	<u>2,351</u>	<u>6,296</u>

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

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

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

The Ginger Media Group Limited

Balance sheet as at 31 December 2010

	Note	2010 £000	2009 £000
Current assets			
Debtors due within one year	4	2	2
due after one year	4	<u>16,931</u>	<u>-</u>
		16,933	2
Creditors: amounts falling due within one year	5	<u>(14,648)</u>	<u>(14,648)</u>
Net current assets/(liabilities)		<u>2,285</u>	<u>(14,646)</u>
Creditors amounts falling due after more than one year	6	<u>(21,692)</u>	<u>(7,112)</u>
Net liabilities		<u>(19,407)</u>	<u>(21,758)</u>
Capital and reserves			
Called up share capital	7	9	9
Profit and loss account	8	<u>(19,416)</u>	<u>(21,767)</u>
Total shareholders' deficit	9	<u>(19,407)</u>	<u>(21,758)</u>

The accompanying notes are an integral part of this balance sheet

The financial statements on pages 6 to 11 were approved by the board of directors on 21 June 2011 and were signed on its behalf by


George Watt
Director

The Ginger Media Group Limited

Notes to the financial statements Year Ended 31 December 2010

1. Accounting policies

Accounting convention and basis of preparation

These financial statements are prepared on the going concern basis, 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 under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its parent, STV Group plc, a company registered in Scotland. Information contained in these financial statements is therefore presented for the individual company rather than for the group.

Related party transactions

The company has taken advantage of the exemption contained in paragraph 3(c) of FRS 8 in respect of disclosure of transactions with group undertakings.

Cash flow statement

A cash flow statement has not been included within these financial statements as the company is a wholly owned subsidiary of STV Group plc, which has prepared a consolidated cash flow statement, including the cash flows of the company, in its 2010 financial statements in accordance with FRS 1 (revised 1996).

Financial instruments

The company has adopted FRS 25 in respect of disclosure of financial instruments.

2. Profit on ordinary activities before taxation

During the year the company benefited from an exceptional gain of £2,351,000 (2009: £6,296,000) due to the forgiveness of intercompany loans from other group companies.

Auditors' remuneration costs are borne by other group companies.

During 2010, the company did not trade and consequently had no employees. No director received remuneration from the company during the year.

The emoluments of the directors are paid by another group company which makes no recharge to The Ginger Media Group 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 on profit on ordinary activities

	2010 £000	2009 £000
Current tax		
UK corporation tax on profits of the year	-	-
Adjustment in respect of previous years	-	-
Tax on profit on ordinary activities	-	-

There is no provided or unprovided deferred taxation.

The Ginger Media Group Limited

Notes to the financial statements (continued) Year Ended 31 December 2010

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2009 28%) The actual tax for the current and prior years differs to the standard rate for the reasons set out in the following reconciliation

	2010 £000	2009 £000
Profit on ordinary activities before tax	2,351	6,296
Profit on ordinary activities multiplied by standard rate in the UK 28% (2009 28%)	658	1,763
Effects of		
Expenses not allowable for tax purposes	(658)	(1,763)
Current tax charge for the year	-	-

During the year, a change in the UK corporation tax rate from 28% to 27% was substantively enacted and the reduced rate was expected to be effective from 1 April 2011 The relevant deferred tax balances have been re-measured accordingly

However, a number of further changes to the UK Corporation tax system were announced in the March 2011 UK Budget Statement A resolution passed by Parliament on 29 March 2011 reduced the main rate of corporation tax to 26% from 1 April 2011 Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011 Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014 None of these expected rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements The effect of the changes expected to be enacted in the Finance Act 2011 would not have a significant impact on the accounts

The proposed reductions of the main rate of corporation tax by 1% per year to 23% by 1 April 2014 are expected to be enacted separately each year The overall effect of the further changes from 25% to 23%, if these applied to the deferred tax balance at the balance sheet date, would not have a significant impact on the accounts

4. Debtors

Due within one year

	2010 £000	2009 £000
Prepayments and accrued income	2	2

Due after one year

	2010 £000	2009 £000
Amounts owed by group undertakings	16,931	-

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

The Ginger Media Group Limited

Notes to the financial statements (continued) Year Ended 31 December 2010

5. Creditors: amounts falling due within one year

	2010 £000	2009 £000
14,647,619 12% cumulative redeemable preference shares	<u>14,648</u>	<u>14,648</u>

In accordance with the requirements of FRS 25 preference shares allotted and fully paid are disclosed within creditors, amounts falling due within one year

The 12% cumulative redeemable preference shares carry an entitlement to a dividend at the rate of 12% per annum and may be redeemed at £1 per share at any time after all relevant loans have been repaid at the option of the company and, in any event, will be redeemed at £1 per share equally. All accrued dividends on the cumulative preference shares were redeemed as part of the acquisition of The Ginger Media Group Limited and its subsidiary companies by STV Group plc on 14 March 2000. No further dividends have been accrued since this date as the holders have formally agreed to waive payment.

Preference shareholders are not entitled to vote unless the preference dividend is not paid or rolled up, the shares are not redeemed in full on the due dates or any indebtedness of the company is repaid before maturity.

Authorised redeemable preference shares are detailed below

	2010 £000	2009 £000
14,647,619 12% cumulative redeemable preference shares of £1 each	<u>14,648</u>	<u>14,648</u>

6. Creditors: amounts falling due after more than one year

	2010 £000	2009 £000
Amounts owed to group undertakings	<u>21,692</u>	<u>7,112</u>

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

7. Called up share capital

	2010 £000	2009 £000
Authorised		
50,660 A ordinary shares of 10p each	5	5
40,000 B ordinary shares of 10p each	4	4
10,708 C ordinary shares of 10p each	1	1
	<u>10</u>	<u>10</u>
Authorised and fully paid		
50,660 A ordinary shares of 10p each	5	5
39,832 B ordinary shares of 10p each	4	4
3,593 C ordinary shares of 10p each	-	-
	<u>9</u>	<u>9</u>

The A ordinary shares and B ordinary shares rank pari passu in all respects. The C ordinary shares are non-voting but in all other aspects rank pari passu with the A and B ordinary shares.

The Ginger Media Group Limited

Notes to the financial statements (continued) Year Ended 31 December 2010

8. Profit and loss account

	£000
At 1 January 2010	(21,767)
Profit for the financial year	<u>2,351</u>
At 31 December 2010	<u>(19,416)</u>

9. Reconciliation of movements in shareholders' deficit

	2010 £000	2009 £000
Opening shareholders' deficit	(21,758)	(28,054)
Profit for the financial year	<u>2,351</u>	<u>6,296</u>
Closing shareholders' deficit	<u>(19,407)</u>	<u>(21,758)</u>

10. Ultimate parent undertaking

The immediate parent undertaking is Scottish Media Group (Jersey) Limited

The ultimate parent undertaking and controlling party is STV Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of STV Group plc consolidated financial statements can be obtained from the company secretary at Pacific Quay, Glasgow, G51 1PQ