Global Media & Entertainment Limited

Annual Report and Financial Statements
Year ended 31 March 2022

Company number 06251684

Contents

Directors and Advisers

Directors

Lord Allen of Kensington CBE (Chairman)
A.D. Tabor-King OBE
S.G. Miron
M. Gordon
C. M Van Doorn (appointed 1 October 2021)
D.J. Henderson
D.D. Singer
S. Cairns
J.A Rea
S. J Enser-Wight (appointed 24 February 2022)

Company secretary

M.J Gammon

Registered office

30 Leicester Square
London
WC2H 7LA

Company number

06251684

Independent auditors

PricewaterhouseCoopers LLP
Chartered accountants and statutory auditors
1 Embankment Place
London
WC2N 6RH

Group Strategic Report

The Directors present their strategic report for Global Media & Entertainment Limited (the "Company") and its subsidiaries (the "Group") when viewed as a whole for the year ended 31 March 2022.

Principal activities

The Group's principal activities during the year were the operation of commercial radio stations in the United Kingdom and the operations of out-of-home media advertising in the UK and Europe.

Business review

In the current year we refer to our operations, which were formerly referred to as Radio, as Audio. This change has been reflected throughout the financial statements and is to reflect the broadening in our offerings in this segment.

After the significant impact of the pandemic in the 2021 financial period, the 2022 financial period was a year in which Global's leadership team could look ahead and embark on the activities and investments that will deliver the next stage of the Group's growth and expansion as discussed below in the Audio and Outdoor sections.

In the 2022 financial period the Group delivered improvements in Revenue and EBITDA in both of our operating segments compared to the previous period that was significantly impacted by the Covid-19 pandemic. In this year we saw that audiences to the Group's radio stations remained robust and grew on digital platforms. As restrictions lifted we saw an increase in audiences and advertising activity on our outdoor estate. In Outdoor we noted improved performance in the year as footfall around our outdoor estate increased, which led to greater advertising spend being committed by customers on outdoor advertising.

Overall the Group's continuing revenue and continuing adjusted EBITDA (as defined on page 7) increased by 57% and 103% respectively leading to an overall operating profit of £57.1m compared to an operating loss of £39.2m in the previous period. The increase is due to the recovery of markets in which we operate post pandemic. We have discussed the performance of our key operations Audio and Outdoor below.

Global continued to reach 51.7m individuals across the UK every week through On air, Global Player and Outdoor estates.

Audio

Global owns some of the best-loved radio stations in the UK and continues to lead in commercial radio. Our brands include Heart, Capital, LBC and Smooth and keep 25.8 million people entertained every week. In the prior period we saw how robust our audio business was against the impacts of the Covid-19 pandemic with growth in the second half of the 2021 financial year. This continued in the 2022 financial year with the revenues of the Audio business increasing by 9% compared to those seen in pre Covid trading in 2020.

Over the last few years, listening habits and the needs of advertisers have changed rapidly and the growth in digital platforms has accelerated some of these trends. Our DAX business remains the world's largest digital audio advertising platform and is a key player in the programmatic advertising arena, with a growing number of publishers. The market remains dynamic, with Global at the forefront, and advertisers are increasingly directing greater levels of spend towards tools and channels which allow more targeted and transparent campaigns. In the year, DAX achieved 36.1% growth.

We continued to strengthen our brands and the offerings for listeners by signing Andrew Marr for LBC and Classic FM along with two of the UK's leading broadcasters, Emily Maitlis and Jon Sopel hosting a programme together on LBC and fronting a new podcast series on Global Player. There were a number of other high profile presenters who joined in the year that we believe enhances our listeners' experiences with our brands.

In the year we launched Heart 00's which will be dedicated to the music of the 2000s and fronted by Ashley Roberts and DJ Mike Panteli.

In the New Year we celebrated our presenters Kate Garraway, Margherita Taylor and Moira Stuart for being recognised in the Queen's New Year Honours list for their dedication and work in the industry.

Digital engagement with Global's brands has continued to grow year on year. Growth has continued due to investment in Global Player and podcasting along with the increasing use by listeners of smart speakers to listen to Global stations.

We continued to invest in the future of the Group through the acquisitions of three businesses, (Quidem, Remixd and Captivate) which we consider enhance our current product offerings and align with the strategic direction of the Board. Further details on the acquisitions can be found in Note 24 of the consolidated financial statements.

Outdoor

With an extensive and diverse portfolio, Global is a leader in outdoor advertising across the UK and Europe. Global has over 253,000 sites combining London Underground, airports, roadside posters, premium digital screens, buses and more. Its outdoor inventory reaches 95% of the UK population.

Outdoor's operational and financial performance in the 2022 financial year saw a significant rebound after the adverse impact of the Covid-19 pandemic in our 2020 and 2021 financial years. While government imposed lockdowns and containment measures in the UK and internationally continued sporadically during the year, the majority of our operations returned, operating efficiently and mitigating many of the challenges that Covid-19 still posed globally.

Despite the ongoing challenges we faced in the outdoor sector due to Covid-19, Global continued to underscore its commitment to the medium with its ongoing investment and innovation. In April 2021 DAX programmatic trading commenced trading across all London Underground and National Rail estates which was a significant step forward for programmatic trading across the Outdoor business and demonstrates the Group's continued drive to provide dynamic digital outdoor advertising at scale. This has been supported by the launch of 120 new sites across the newly opened Battersea Powerstation and Nine Elms stations and the launch of a further four 22 metre high HD screens on the route into Heathrow with further investment in the Elizabeth Line discussed below. All new sites were available on our DAX platform, allowing advertisers to buy data-driven campaigns across digital outdoor and digital audio.

The opening of the Elizabeth Line in May 2022 saw the unveiling of 329 state-of-the-art advertising sites along the line; the largest launch of digital assets at one time on the TfL network. The new digital billboards located at all Elizabeth line stations will be added to Global's outdoor inventory available on its digital advertising platform, DAX, allowing advertisers to buy data-driven campaigns across digital outdoor and digital audio. With a focus on creating extensive digital opportunities for advertisers, the new stations feature seven pairs of unmissable, full motion enabled Digital Ribbons and 16 new-format Digital Runways – made up of 234 platform edge screens – which are exclusive to the Elizabeth line.

Global is continuing to invest in digital screens, which are more energy efficient and its Outdoor division has several accreditations, and has won awards, for its commitment to sustainability.

The Group has continued to invest in the Outdoor overseas outdoor markets with the acquisition in the Netherlands of Centercom BV in October 2021. This acquisition adds a further 36,000 sites to our existing portfolio in the Country.

In May 2022 Global Spain won the tender for the advertising management of over 1,400 ADIF (National Railways) sites until 2032.

In June 2022 Global retained the Gatwick Airport advertising contract for a further five years, retaining our position as the UK's largest airport media owner.

Other key highlights and future developments

On 29 March 2022 Global partnered with ITV and STV to stage a two hour charity concert raising money for the humanitarian appeal in Ukraine.

In the year we strengthened our investment and commitment to Scotland with the creation of 30 jobs across engineering, data and product with the opening of our technology hub in Glasgow.

In June 2022 Global entered the mobile gaming arena with a strategic investment in Odeeo that delivers non-intrusive audio adverts in mobile games. The investment sees DAX becoming the company's exclusive sales partner in the UK and in the US, expanding DAX's existing podcast, digital audio articles and programmatic outdoor offering for advertisers and creators.

Also in June 2022 Global launched the broadcast journalism apprenticeship scheme offering early career opportunities in its world-class newsroom.

For the first time since 2019 the Group was able to hold major events in person, including Capital's Summertime Ball in June 2022, the Jingle Bell Ball in December 2021 and additional new events such as Capital Weekender.

The Group made some significant Board appointments in the financial year to coincide with its key focus areas. Cilesta Van Doorn (Chief Marketing Officer) and Sebastian Enser-Wight (Chief Strategy Officer) were appointed.

Global's Make Some Noise is the Group's charity, which continued to raise money and awareness for smaller charities that find it hard to get heard. During the year, Global's Make Some Noise raised over £2m (2021: £4.2m). Through the careful use of funds, the charity was able to award £2.6m (2021: £2.4m) in grants to 71 charities and projects across the UK, helping more than 22,000 beneficiaries.

Since Global's Make Some Noise launched in 2014, the national charity has raised more than £26 million and raised awareness for over 400 incredible charities and projects around the UK that struggle to be heard.

Global continues to support the Global Academy, a university technical college in Hayes, Middlesex, which opened in 2016 and provides academic and vocational education for students who want to work in the broadcast and digital media industry. For the fourth year the Group has offered apprenticeships to students from the Academy for a training and work experience programme.

Financial performance

Revenue and operating profit
The consolidated income statement is set out on page 25 and shows continuing revenue for the year ended 31 March 2022 of £681.8m, an increase of £247.7m which is due to the recovery in the year from Covid-19.

Adjusted EBITDA pre IFRS 16
The Directors consider that adjusted EBITDA pre IFRS 16 (as defined in the table below) represents a key measure of the business performance, as it demonstrates the underlying trading performance by excluding the effects of non-recurring items. The Directors review and manage the business pre adjustments for IFRS 16 which has a significant impact on the statutory performance of the Group. The adjusted EBITDA profit for the year of £115.0m showed a significant increase of £74.8m due to the significant impacts of Covid-19 on the Group's operations in the prior periods.

A reconciliation between the statutory measure 'operating profit' to the alternative measure 'EBITDA' and 'adjusted EBITDA' is shown below:

Disposal of Outdoor France operations
In the current year the Group has not disposed of any operations. In the prior period the Group disposed of the Outdoor France operations which is disclosed as discontinued operations.

Financial performance	Year ended 31 March 2022 £m	Year ended 31 March 2021[1] £m
Audio	**391.1**	**314.1**
Outdoor	**290.7**	**120.0**
Revenue from continuing operations	**681.8**	**434.1**
Cost of sales from continuing operations	**(257.1)**	**(135.8)**
Gross profit	**424.7**	**298.3**
Administrative expenses	**(367.6)**	**(337.5)**
Operating profit/(loss) from continuing operations	**57.1**	**(39.2)**
Depreciation	**78.4**	**82.9**
Amortisation	**30.9**	**32.6**
Other operating expenses	**11.1**	**14.6**
Adjusted EBITDA	**177.5**	**90.9**
IFRS 16 adjustment	**(62.5)**	**(50.7)**
Adjusted EBITDA pre IFRS 16	**115.0**	**40.2**
Net liabilities	(903.0)	(802.3)
Total assets	1,509.0	1,523.6

[1]Prior comparatives have been restated, refer to Note 1d of the consolidated financial statements for further detail.

Note 1: Cost of sales exclude depreciation, amortisation and charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs, Covid-19 one off costs, impairments of any Goodwill or Intangible assets and vacant property provisions outside of the scope of IFRS 16, as well as costs of acquisitions. This was consistent with prior year.

Note 2: Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortisation and is stated before any charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs, Covid-19 one off costs, impairments of any Goodwill or Intangible assets and vacant property provisions outside of the scope of IFRS 16, as well as costs of acquisitions. This was consistent with prior year.

Going concern

In assessing Global's viability and ability to operate on a going concern basis, the Directors have considered the future trading prospects of the Group's businesses and available liquidity and debt maturities and consider it appropriate to adopt the going concern assumption used in the preparation of the Group's financial statement for the year ended 31 March 2022.

The Directors have prepared a forecast on a base case and downside scenarios from the date of approval of these financial statements. The key assumptions in the modelled scenarios relate to the speed of the recovery of the advertising market and the rate and scale of delivery of advertising on our Outdoor inventory as audiences return.

The Board continues to monitor performance against the forecast as well as internal and external analysis to inform its planning and decision making and will continue to manage its costs and cash appropriately. For further details on the reasons why the Directors believe that these financial statements have been prepared on a going concern basis see Section 1: Basis of preparation in the notes to the consolidated financial statements.

Future developments

The Group is well positioned to be operating at pre Covid-19 operating levels in the 2023 financial period with additional growth through acquisitions and continued investment in DAX & the Outdoor estate. The Directors are monitoring the impact of the cost of living crisis within the UK.

Principal risks, financial risks and uncertainties

The principal risks faced by the business can be divided into operational, commercial, financial and credit risks. The risks are monitored and managed at a Group level and by local management teams.

Covid-19

Covid-19 was identified as being a principal risk for the financial period ending 31 March 2022 due to the unpredictable nature of the virus and the responses and interventions that could be put in place by governments which cause operational uncertainty. During the year the Board and senior leadership teams continued to take actions to limit the impact of the pandemic on our businesses. In the first quarter of the financial year, due to the restrictions still in place, the Group utilised the government retention scheme where required as detailed in note 5 of the consolidated financial statements.

The Board and senior leadership do not consider that this is a principal risk going forward but continue to meet regularly so appropriate and timely action can be taken to ensure the future of the Group.

Operational risk

Reduced audience levels at the Group’s stations or reach across the Outdoor estate could erode the Group’s position, in local, national or international markets. The Group promotes its radio brands and outdoor inventory regularly and continually strives to improve programming standards to increase audiences and encourage digital outdoor advertising. The Group carries out research on its listeners, building profiles of their likes and dislikes, and uses this to develop both the sound of the stations, and the music they play.

The Group has mitigated these risks by extending its presence in the digital advertising market with further acquisitions, investment in its DAX proposition and outdoor advertising structures in the year.

Commercial risk

There is a risk that weakness in the advertising market could put pressure on traditional revenue streams. To address this, the Group has been developing its relationship with advertisers and agencies to ensure that the value of its brands is fully realised. This includes offering tailored solutions to advertisers and highlighting the breadth of the Group’s products. The development of new digital opportunities is at the heart of the Group’s strategy, which will continue to reduce the pressure on our traditional revenue sources.

Financial risk

The Group is primarily funded by both related party and bank debt. The Group’s operations are cash-generative, and general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis. Due to the Covid-19 pandemic the Group had renegotiated the bank covenants, which we reported against in the current period. All covenants have returned to original terms from September 2022.

Credit risk

The Group actively mitigates the risk of payment default by its customers using trade credit insurance and by reviewing outstanding payments and provisions for payment default regularly. This risk did not significantly increase in the year or during the pandemic.

Liquidity risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the Group uses long-term debt finance. The Group has not significantly altered its working capital management strategies during the year and was not subject to any externally-imposed requirement in this regard.

Financial instruments

The Group's risk management process and the policies for mitigating certain type of risks are set out in note 20. Details of the financial instruments used for these purposes are in note 20 to the consolidated financial statements.

Key performance indicators

The business uses key performance indicators which are monitored on a regular basis and include audience trends such as weekly reach, listening hours, share of the market and demographic mix as well as financial indicators such as revenue, adjusted EBITDA pre IFRS 16 and operating margins. Variance analysis is performed monthly, the results of which are monitored and discussed within a formal meeting structure.

Non-financial key performance indicators

The Directors regularly assess the performance of the Group with a number of financial indicators, though the main non-financial measures are radio audience figures, as recorded in RAJAR surveys, and outdoor advertising reach as measured by Route, a joint industry body producing estimates for out-of-home advertising. These figures are used commercially, in terms of determining campaign value, but also as a guide as to how each brand, location and format is performing. Both RAJAR results and Route data are based on statistical calculations derived from surveys completed by members of the public and are published quarterly. During the Covid-19 pandemic RAJAR surveys were not able to be carried out. However in Q3 2021 RAJAR released the first survey since March 2020. Whilst there were no published results in the interim period the group has used the audience information gathered from its digital services to gauge audience numbers internally, whilst retaining the pre-pandemic audience results from commercial operations.

Section 172 statement

The Group's long term success is at the forefront of the Board's thinking and the Directors have full regard for their duties and the matters set out in Section 172 of the UK Companies Act 2006. Indeed, it is the Board's belief that the Group can only be successful when the interest of those it works with are considered, and particularly when customer, supplier, employee and shareholder interests and the environment, climate and societies we operate in are understood and responded to and appropriately reflected in how the business develops. The table below discusses how the Board engages with the stakeholders to promote the success of the Group, with regard to the factors set out in Section 172 (1) of the Companies Act 2006.

Stakeholders	Major stakeholders, their interests and how the Board engages
Customers	The Group is dedicated to building deep and meaningful client experiences, whether through our direct contact or through special events such as the "Hear It, See It, Say It" campaign. The quality of this engagement is critical to facilitating our customers' campaigns. Client satisfaction is measured through satisfaction surveys as well as our ability to retain existing customers and recruit new ones. The Group has an internal customer support team for all listeners and customers where all complaints and enquiries can be dealt with in a timely manner. A weekly customer satisfaction report is posted on the internal Workplace intranet.

Employees	The Group is focused on ensuring that employees are well-informed of its key imperatives including its philosophy, values and ethics and the common guidelines and policies that support them. This includes the provision of an internal Facebook Workplace platform for open communication, quarterly company meetings presented by Board members, and question and answer sessions allowing individuals to raise questions and concerns directly to Board members. Employee engagement surveys are performed bi-annually to highlight areas for improvement in communication of the Group's purpose and objectives. The Board considers the results of these surveys to be a good barometer of the workforce's confidence in the Group's strategic direction, optimism for the future and career opportunities. The Board has continued its focus on the involvement of the workforce in both the culture of the company and diversity and inclusion (D&I) in the year. The Board considers that D&I is important for the future of the Group and was a key focus in the current year. At an industry level, we have committed support as a foundation partner to Media for All, which was set up to encourage more talent from Black, Asian and ethnically diverse backgrounds into media. The Group's internal code of conduct (Global's Guide to doing the right thing), provides the ethical principles for all Global employees, which reflect our core values and expectation.
Suppliers	The Group is strongly committed to conducting its business in compliance with all applicable labour and employment-related laws, rules and regulations in every location in which we do business and across our supply chain. This includes, but is not limited to, laws, rules and regulations relating to wages and hours worked, equal employment opportunity, non-discrimination, harassment, immigration and work authorisation, privacy, collective bargaining, and child, prison and forced labour. The approach to partnering with suppliers is governed by a prescribed Responsible Sourcing Policy. Reflecting the internal code of conduct, this policy sets out expectations and requirements regarding issues such as respect of labour laws, forced and slave labour, human rights, the environment and anti-corruption. The Group carefully selects suppliers and business partners and maintains business relationships with those that share a commitment to high ethical standards. Global expects its suppliers and business partners to comply with applicable laws, rules and regulations as well as our Responsible Sourcing Policy.
Shareholder	The shareholder receives regular and timely information (at least weekly) including on the financial performance of the business, strategy, operational matters, market conditions and sustainability, all supported by Key Performance Indicators (KPIs).
Environment/ community/society	The Directors do not just consider that the Group's advertising operations serve a commercial purpose but that they also provide important public information. Millions of people see our billboards, listen to our radio brands and spend time with us on our digital platforms every day. We're driven to be the very best we can be, creating market leading products and services for people to enjoy, and for brands to engage with their audiences. As we deliver on our business ambition, we know we have a unique opportunity to drive positive change in all that we do. We want to make sure we give back to the communities we serve. We are mindful of our environment and the responsibilities of being a media owner. At Global we passionately believe that we need to accelerate opportunities for diverse talent and those from different socio-economic backgrounds to enter the creative industries. In the financial year we have grouped these priorities under Global Goodness, with our first report released in January 2022 on our website www.global.com which illustrates how the Group are delivering on these priorities.

This report was approved by the Board of Directors on 25 November 2022 and signed on its behalf by

D. Singer

D.D. Singer
Director
25 November 2022

[1]Throughout this document we refer to the 12 month financial period ended 31 March 2022 and 2021 as either year or period

Group Directors' Report

The Directors present the Directors' report and the audited financial statements of the Group and the Company for the year ended 31 March 2022.

Results and dividends

The loss for the year after taxation for continuing operations amounted to £105.3m (2021: £178.3m[1]). The Directors do not recommend the payment of a dividend (2021: £nil).

1 prior year results have been restated refer to note 1d.

Directors

The Directors who served during the year and to the date of signing the financial statements:

Lord Allen of Kensington CBE (Chairman)
A.D. Tabor-King OBE
S.G. Miron
R.F.J. Park (resigned 1 August 2022)
M. Gordon
C. M Van Doorn (appointed 1 October 2021)
D.J. Henderson
D.D. Singer
S. Cairns
J.A Rea
L. Taviansky (resigned 31 March 2022)
S. J Enser-Wight (appointed 24 February 2022)

Political and charitable contributions

As well as providing significant radio airtime to promote the activities and events of its charity, the Group provides a number of services to these charities, including the use of offices and administration services, free of charge.

The Group's donations to charities amounted to £nil (2021: £0.1m). No contributions were made to political organisations in both the current and prior period.

Future developments

The Directors believe that the Group will be operating at pre Covid-19 performance levels in the 2023 financial period with growth in the foreseeable future. The Directors to continue to explore several opportunities to grow and expand the Group operations.

Financial instruments

The Group's risk management process and the policies for mitigating certain type of risks are set out in note 20. Details of the financial instruments used for these purposes are in note 20 to the consolidated financial statements.

Employee involvement

As discussed in the Section 172 statement in the strategic report, the Group places considerable value on the involvement of its people and has continued to keep them informed on matters affecting their employment and on a range of factors affecting the performance of the Group and the Company.

Climate change

Whilst the Directors do not consider climate change to be a principal or financial risk for the Group, the environment and the impact that the Group has on the environment has been on their green agenda for the past 11 years. The Group has a committee (Green@Global) dedicated to making the Group as environmentally responsible as possible. Our green initiatives are underpinned by an annual carbon footprint audit and sustainability action plan to help meet our target of reducing carbon emissions by 5% each year end, and as a member of Ad Net Zero achieve neutrality by 2030. In January 2022 we released our first Global Environmental Impact Report on our website (www.global.com) which outlines our environmental performance for the 2021 financial year, our achievements and how we are working towards our goals.

The Group achieved its target of reducing its gross emissions by 5% from the prior period.

The Group actively pursues a policy of reducing and recycling waste across its locations. This informs a range of procurement decisions from single-use plastics to hybrid company cars as discussed within our Section 172 statement.

The Group is required to report annually on the quantity of carbon dioxide equivalent emissions in tonnes emitted as a result of activities for which its responsible. All data for the financial year ended 31 March 2022 is disclosed here for scope 1, 2 and 3 emissions.

Indicator	**2022**	**2021**
Total gross (CO2e emissions (tCO2e)	**4.501**	**5,314**
Scope 1: Direct emissions (tCO2e)	**859**	**731**
Scope 2: In-direct emissions (tCO2e)	**3,610**	**4,409**
Scope 3: Transport data (tCO2e)	**32**	**174**
Carbon offsets used to compensate for remaining emissions (tCO2e)	**3,259**	**3,617**
Total annual net emissions (tCO2e)	**1.242**	**1,554**
Energy consumption to calculate emissions (kWh)	**19.549**	**19.694**

Intensity Metric Assessments	**2022**	**2021**
Intensity Ratio 1 [scope 1-3] (tCO_2e / floor area m^2)	0.2	0.21
Intensity Ratio 2 [scope 1-3] (tCO_2e / headcount)	2.36	3.07

The methodology used to calculate our GHG emissions is aligned with GHG protocol and Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance. The financial control approach has been used to define the reporting boundary

Social matters and human rights

Global impacts the social fabric of the United Kingdom both through the programming and events it provides to its audiences, and also through how it operates as an organisation.

As an employer, Global seeks to create a socially diverse environment where individuals are able to thrive regardless of ethnicity, gender, age, disability or sexuality, and upholds a fairness policy addressing equal opportunities and diversity throughout the Group's operations. In the year all staff of manager level and above completed training in regards to unconscious bias.

The Group is fully committed to ensuring it does not participate in, or facilitate, the violation of human rights. Its Modern Slavery Act Statement addresses how the Group identifies, addresses and prevents modern slavery in its business and wider supply chain. This statement is available on the company website and is reviewed annually. Global has also published Privacy and Data Protection policies as well as an Information Security policy, detailing how it manages and stores individuals' information whether they are employed by, or providing information to, the Group.

Global interacts with a large number of individuals during the ordinary course of its operations and as such, has a safeguarding policy in place for dealing with children or vulnerable adults to ensure their safety while they are with us.

Anti-corruption and anti-bribery

All of the Group's employees are required to read and to acknowledge the policy on anti-corruption and bribery along with completing a e-learning module annually. The implications of not following the policy are set out in the guide issued and available to all staff.

Disabled employees

Applications for employment from disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. As a people-focused business, we make sure that we recruit the right person for the job every time, whatever their background.

In the event of a member of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate adjustments are made. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Qualifying third party indemnity provisions

The Directors benefit from qualifying third party indemnity provisions in place. The Group also provided qualifying third-party indemnity provisions to certain Directors of associated companies during the financial year and as at the date of signing the consolidated financial statements.

Matters covered in the strategic report

Details of the principal and financial risks faced by the Group, including operational risk, credit risk and liquidity risk along with customer and supplier engagement are discussed in the Group Strategic Report.

Provision of information to the auditors

Each of the persons who are Directors at the time when this Group Directors' Report is approved has confirmed that:

- so far as that each Director is aware, there is no relevant audit information of which the Group and the Company's auditor is unaware; and

- that each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Group and the Company's auditor is aware of that information.

Independent Auditors

The external auditor for the period ended 31 March 2022 was PricewaterhouseCoopers LLP. Following an external audit tender undertaken by the Board of Directors in 2021 PricewaterhouseCoopers LLP was duly appointed as the external auditor in July 2021 with their appointment taking effect from, and including the period ended 31 March 2022. The external auditor for the period ended 31 March 2021 was Deloitte LLP.

Under section 487(2) of the Companies Act 2006 PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the register, whichever is earlier.

This report was approved by the Board of Directors on 25 November 2022 and signed on its behalf by

D. Singer

D.D. Singer
Director
25 November 2022

Statement of Directors' Responsibilities

The directors are responsible for preparing the Statement of Directors' Responsibilities and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the consolidated financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 “Reduced Disclosure Framework”, and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the consolidated financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- 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 group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group’s and company’s transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

This statement was approved by the Board of Directors on 25 November 2022 and signed on its behalf by

D. Singer

D.D. Singer
Director

Report on the audit of the financial statements

Opinion

In our opinion:

- Global Media & Entertainment Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2022 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 March 2022; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the Consolidated and Company financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Context

The context of our audit is set by the year ended 31 March 2022 being our first year as external auditors of the Group. As part of our audit transition, we carried out procedures over opening balances as at 1 April 2021 by reviewing the predecessor auditor's working papers in the UK and re-evaluating the predecessor auditor's conclusions in respect of key judgements included in the opening Consolidated Statement of Financial Position.

We completed our testing of opening balances, including performing walkthroughs of business processes, in order to build a detailed understanding of the business and set up our technology solutions, including journals data extraction and data enabled revenue testing.

Overview

Audit scope

- The Group audit team carried out audit procedures over the consolidation and material balances and transactions processed centrally. We conducted audit procedures for the UK Audio and Outdoor components, together with work performed at corporate functions, and at the Group level. Our audit procedures accounted for approximately 89% of the Group's revenue. The Group audit team performed substantive procedures over all of the material balances and transactions of the Company.

Key audit matters

- Assessment of carrying values of goodwill, other intangible assets and cost of investments in subsidiaries (group and company)
- Revenue recognition (group)

- Classification of related party loans (group and company)
- IFRS 16 lease accounting (group)

Materiality

- Overall group materiality: £6.0 million based on approximately 1% of revenue of the Group capped at £6.0m.
- Overall company materiality: £5.7 million based on approximately 1% of total assets limited by the allocation of component materiality.
- Performance materiality: £4.5 million (group) and £4.2 million (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Independent Auditors' Report to the Members of Global Media & Entertainment Limited (continued)

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying values of goodwill, other intangible assets (group) and cost of investments in subsidiaries (company) Refer to Note 1 (Accounting Policies) and Note 10 (Intangible Assets) of the consolidated financial statements as well as note 1 (Accounting policies) and Note 3 (Investments) of the company financial statements. Management has estimated the recoverable amount for each Cash-Generating Unit ("CGU") using a value-in-use model by projecting cash flows for the next three years together with a terminal value using a perpetuity growth rate. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable value of the investment is estimated in order to determine the extent of the impairment loss, if any. The total amount of goodwill on the Consolidated Statement of Financial Position is £466.0m (2021: £454.4m) and of other intangible assets is £328.6m (2021: £342.7m) as at 31 March 2022. In the Parent Company Statement of Financial Position, Investments in Subsidiaries are held at a value of £1,257.6m (2021: £1,257.6m). The Group assesses goodwill for impairment based upon their cash generating units ("CGUs"), Audio and Outdoor, which reflects the level at which goodwill is monitored. This assessment as well as the assessment of the recoverable amount of the company investment was based on a value in use model which took into consideration the FY23 Board approved budget, and forecasts beyond FY23 for subsequent two years with a terminal growth rate applied thereafter. The recoverable amount of the CGUs and the investment in subsidiaries are dependent on certain key assumptions, including the forecast cash flows, short and long term growth rates and the discount rate, all of which are dependent upon management estimates. No impairment was identified in goodwill, other intangible assets or investments. The Outdoor CGU had low headroom due to continued recovery of the business following the significant impact of the pandemic. We have focused on this as a key audit matter in our audit work due to the inherent estimation in the three year cash flow forecast, particularly for the Outdoor CGU and estimation required in the key assumptions as noted above.	In completing our work over the goodwill, other intangible assets and investments, we performed the following procedures: • Understanding the controls and procedures in place in respect of goodwill, intangible assets and investments; • Evaluating the process by which management prepared its cash flow forecasts and agreeing the forecasts used for impairment reviews to the Board approved FY23 budget and management approved forecasts for next two years; • Tested the allocation of assets and liabilities to CGUs; • Tested the mathematical accuracy of the underlying forecasts and value in use calculations; • Performed lookback testing by CGU to test historical forecasting accuracy and to verify historical achieved growth rates; • Assessed key assumptions in the calculations including forecast revenue and EBITDA. In assessing these particular assumptions, we considered external market growth forecasts as well as internal analysis of the forecast revenue and actual performance post year end; • Considered the appropriateness of the significant assumptions used by management in their forecasts in respect of the long term growth rates in the forecasts by comparing them to long term average growth rates of the UK, Netherlands, Spain and Ireland economies; • Utilised valuation experts to assess the discount rates and long term growth rates applied to management's forecasts; • Reviewed management's sensitivity analysis to assess whether it was appropriate and performed our own sensitivity test to establish whether there were any further impairment risks; and • Reviewed the adequacy of management's disclosures in the financial statements. Based on the audit procedures described above, we concur with management's conclusion that there is no impairment in the goodwill and other intangible assets held in the Consolidated Statement of Financial Position and Investments in Subsidiaries held in the Company Statement of Financial Position.

Independent Auditors’ Report to the Members of Global Media & Entertainment Limited (continued)

Revenue recognition (Group) Refer to the accounting policies and Note 4 of the Consolidated financial statements. For the year ended 31 March 2022 the Group earned £681.1m of revenue (2021: £434.2m). As there is a possibility that management may be put under pressure to achieve revenue forecasts, the related revenue recognition was identified as an area where fraud could occur. We considered the significant risk would most likely occur through posting of manual journals (including consolidation entries at a Group level) or through accrued income balances at year end. The significant risk relating to journals was identified in relation to the occurrence of all the revenue streams and the cut-off of the Outdoor media and production revenue streams. This area of our audit was considered to be a key audit matter based on the significant audit effort required and the judgements applied by the Group in terms of revenue recognition for the revenue streams of the Group.	In completing our work over Audio and Outdoor revenue, we performed the following procedures to address the significant risk: • We performed walkthroughs of the revenue process for each revenue stream to understand the related revenue recognition; • We performed testing of unusual journals impacting revenue through the use of data analytics to identify unusual account combinations, and obtained supporting documentation for any identified journals to test whether these were appropriate entries. All material consolidation journals were also subject to detailed testing; and • We have performed testing over a sample of accrued and deferred revenue balances to address the cut-off risk in the Outdoor revenue streams. In completing our work over Audio and Outdoor revenue, we also performed the following procedures: • Obtained and read a sample of the underlying contracts to understand the nature of the revenue, including understanding the number of performance obligations in line with IFRS 15 and whether the revenue was to be recognised over time or at a point in time; • Performed detailed testing, through to evidence supporting the work performed, invoice and cash receipt; • For selected Audio revenue streams, we used our Data Enabled Revenue Testing approach which involved performing an end-to-end reconciliation from ordering to scheduling to customer receipts to general ledger postings; • Tested a sample of revenue transactions recognised in the month pre and post year end to assess whether revenue was recognised in the correct period; and • Traced a sample of revenue through from the booking system to the general ledger to determine that revenue was recognised on all orders during the period. Our work did not indicate the existence of any fraudulent transactions and we noted no material misstatements from our work.

Independent Auditors' Report to the Members of Global Media & Entertainment Limited (continued)

Classification of related party loans (group and company) Refer to Note 1 (accounting policies) and Note 16 (Borrowings) of the consolidated financial statements. The Group has £1.8bn of related party loans (shareholder loans) as at 31 March 2022. Given the magnitude and nature of these loans, there is inherent risk over the application of the appropriate IFRS 9 accounting policy and therefore the classification of these loans. During the year, management undertook a review of their related party loan contracts. Management revised their previous determination that the Shareholder loans had embedded derivatives within them. Under IFRS 9, these contracts should be accounted for under amortised cost rather than fair value through profit and loss. The loans were therefore restated to reflect amortised cost accounting at inception, effective from the modification of these loans in 2018, in both the Group and Company accounts. The restatement includes the removal of deferred tax balances associated with fair value movements through profit and loss. This area of our audit was considered to be a key audit matter based on the significant audit effort required to evaluate the contractual terms of these agreements and applicability of the IFRS 9 accounting policies.	In completing our work over the classification of these loans, we performed the following procedures: • Obtained the listing of the loans and reconciled these to the underlying ledgers; • Assessed the reasonableness of the entity's internal control system and processes relating to borrowings; • Obtained the related party loan agreements to verify the terms and conditions; • Assessed the terms and conditions of each loan against the IFRS 9 Financial Instruments accounting standard; • Tested the mathematical accuracy of the interest on the interest bearing loans; • Tested the book value of the interest free loans at inception and the unwinding of the interest thereon; • Utilised our accounting technical experts in confirming the assessment of amortised cost accounting; • Tested the deferred tax impact of the restatement;. • Recalculated the closing value of the related party loans under the amortised cost method; • Obtained the ageing of the loans to verify they are classified in the correct categories and maturity has been correctly calculated; • Agreed the disclosures made in respect of the loans and the restatement. Based on the audit procedures described above, we concur with management's conclusion that the loans should be accounted for under amortised cost and have been reflected accurately in both the Consolidated and the Company Statements of Financial Position.
IFRS 16 Lease accounting (group) Refer to Note 1 (accounting policies) and Note 27 (IFRS 16 Leases) of the consolidated financial statements. The Group has £341.4m of Right of Use (ROU) assets and £378.4m of Lease Liabilities as at 31 Mar 2022. Given the number of leases the business is party to there is an increased inherent risk of error in identifying and accounting for all leases. During the year, management identified a number of leases with one franchise partner that had been incorrectly classified as leases falling outside the scope of IFRS 16. Leases with this lessor were tracked on manual spreadsheets leading to data integrity and completeness errors and there was a lack of reconciliation between these spreadsheets and the leasing system. We have therefore focused on this area as a key audit matter, given the lease liabilities are a significant balance in the group financial statements and there is a heightened risk of omission.	In completing our work over the recognition of leases, we performed the following procedures: • Understood and evaluated the procedures performed by management to address and correct the error identified; • Understood and evaluated the controls in place to identify and account for leases; • Obtained copies of all invoices received from the lessor and tested a sample of payments made tracing these to IFRS 16 calculations where the lease fell within the scope of IFRS 16 for each period impacted; • Tested a sample of rental payments in the current year to supporting lease contracts and traced the lease through to the IFRS 16 workings where it fell within the scope of IFRS 16; • Checked management's calculations for data integrity and mathematical accuracy; • Tested a sample of lease data for accuracy and completeness; and • Reviewed the disclosures made in respect of the restatement to ensure sufficient explanation of the nature and impact of the restatement. Our work did not indicate the existence of any fraudulent transactions and we noted no material misstatements from our work.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group audit team carried out audit procedures over the consolidation and material balances and transactions processed centrally. The territories where we conducted audit procedures, together with work performed at corporate functions and at the Group level, accounted for approximately 89% of the Group's revenue. The Group audit team performed substantive procedures over all of the material balances and transactions of the Company.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - company
Overall materiality	£6.0 million	£5.7 million
How we determined it	Approximately 1% of revenue of the Group capped at £6.0m	Approximately 1% of total assets limited by the allocation of component materiality.
Rationale for benchmark applied	The Group's principal measure of performance is revenue. Given the significant volatility in operating profit over the past few years due to the impact of Covid-19, a key focus area coming out of the pandemic is a focus on top line revenue growth. We took revenue as the measure into account in determining our materiality as it is the metric against which the performance of the Group is most commonly assessed in the short term by management and reported to shareholders.	We consider that total assets is the primary measure used by the shareholders in assessing the performance of a holding company and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £4,400,000 to £5,600,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £4,500,000 for the group financial statements and £4,200,000 for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £300,000 (group audit) and £200,000 (company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing both the existing and amended bank facility agreements as well as the related party loan facility agreements to ensure we understand the associated terms including covenants;
- Obtaining supporting evidence for management's going concern assessment, including agreeing the cash flows to Board approved budgets, understanding the key assumptions underpinning the forecasts, challenging these assumptions with reference to past performance of the group, external data points and considering management's historical forecasting accuracy. The mathematical accuracy of the model was also verified;
- Discussions with management relating to potential downside scenarios and the impact these have on the covenant and liquidity headroom including agreeing the impact to management's calculations and evaluating whether the conclusion that covenant and liquidity headroom remained in all scenarios;
- Obtaining and re-performing the Group's most recent covenant compliance calculations and subsequent quarterly forecast covenant compliance calculations based on the base case and downside forecasts provided by management; and
- Review of Board meeting minutes and discussions with the Board of Directors to ensure that all known facts and circumstances including potential external factors have been considered into management's assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Group Strategic Report and Group Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.
Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Group Strategic Report and Group Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic Report and Group Directors' Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group Strategic Report and Group Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Members of Global Media & Entertainment Limited (continued)

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to but were not limited to employment laws and regulations and data protection legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK and overseas tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates.. Audit procedures performed by the engagement team included:

- Enquiries of management and the in-house legal team to understand internal processes with regards to compliance with laws and regulations and to understand whether there have been any instances of non-compliance;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Challenging the key assumptions made by management in their significant accounting estimates, including in our audit work in respect of the carrying value of goodwill, the recognition and measurement of leases, expected credit loss and the valuation of the defined benefit obligations;
- Identification of journal entries considered to be unusual e.g. postings to unusual account combinations or by unexpected users, testing of these journals to supporting documentation and evaluating the business rationale of significant transactions outside of the normal course of business; and
- Review of financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 November 2022

Global Media & Entertainment Limited

Consolidated Income Statement

For the year ended 31 March 2022

	Note	**Year ended 31 March 2022**	Year ended 31 March 2021[1]
		£'000	£'000
Revenue	4	681,827	434,158
Cost of sales		(257,094)	(135,786)
Gross profit from continuing operations		**424,733**	**298,372**
Administrative expenses		(367,622)	(337,531)
Operating profit/(loss) from continuing operations		**57,111**	**(39,159)**
Finance income	7	1,027	1,047
Finance expense	8	(150,712)	(149,731)
Net finance costs		**(149,685)**	**(148,684)**
Share of profit of equity-accounted investments, net of tax	12	1,224	1,214
Loss before taxation from continuing operations		**(91,350)**	**(186,629)**
Income tax (charge) / credit	9	(13,951)	8,339
Loss for the year from continuing operations		**(105,301)**	**(178,290)**
Discontinued operations			
Loss for the year from discontinued operations	28	**—**	**(9,906)**
Loss for the year		**(105,301)**	**(188,196)**
Attributable to:			
Owners of the Company		(106,328)	(190,120)
Non-controlling interests	21	1,027	1,924
		(105,301)	**(188,196)**

The notes on pages 31 to 94 form part of these consolidated financial statements.

[1] These numbers have been restated, refer to Note 1 (d) for explanation

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2022

	Note	**Year ended 31 March 2022 £'000**	Year ended 31 March 2021[1] £'000
Loss for the year		**(105,301)**	(188,196)
Items that will not be reclassified to profit or loss:			
Actuarial gain related to the pension scheme	26	**6,126**	1,640
Foreign exchange gain / (loss)		**536**	(1,394)
Deferred tax exchange gain	18	**164**	1,754
Deferred tax on actuarial gain	18	**(1,164)**	(262)
Other	18	**—**	46
Other comprehensive income for the year, net of tax		**5,662**	1,784
Total comprehensive loss		**(99,639)**	(186,412)
Attributable to			
Owners of the Company		**(100,666)**	(188,336)
Non-controlling interests		**1,027**	1,924
		(99,639)	(186,412)

The notes on pages 31 to 94 form part of these financial statements.

[1] These numbers have been restated, refer to Note 1 (d) for explanation

Consolidated Statement of Financial Position

As at 31 March 2022

	Note	31 March 2022	31 March 2021[1]	1 April 2020[1]
		£'000	£'000	£'000
ASSETS				
Non-current assets				
Intangible assets	10	**794,688**	797,053	839,898
Property, plant and equipment	11	**91,732**	104,917	149,055
Right of Use Assets	27	**341,372**	335,547	388,954
Equity accounted investments	12	**1,427**	1,232	1,326
Investments	13	**335**	335	834
Surplus on defined benefit pension scheme	26	**14,635**	6,483	2,794
		1,244,189	1,245,567	1,382,861
Current assets				
Inventories		**1,036**	1,094	1,049
Current tax assets		**3,565**	8,414	805
Trade and other receivables	14	**221,171**	146,414	260,860
Cash and cash equivalents		**39,011**	122,125	83,728
		264,783	278,047	346,442
Total assets		**1,508,972**	1,523,614	1,729,303
LIABILITIES				
Current liabilities				
Trade and other payables	15	**(181,954)**	(178,306)	(239,134)
Current tax liabilities		**(1,920)**	(841)	(1,971)
Lease liabilities	27	**(67,834)**	(55,421)	(85,483)
Borrowings	16	**(95,923)**	(86,612)	(69,094)
Provisions	17	**(3,551)**	(5,614)	(5,898)
		(351,182)	(326,794)	(401,580)
Non-current liabilities				
Trade and other payables	15	**—**	(39)	(70)
Employee benefits		**—**	—	(6,100)
Lease liabilities	27	**(310,601)**	(307,341)	(319,848)
Borrowings	16	**(1,705,780)**	(1,661,856)	(1,565,455)
Provisions	17	**(6,237)**	(7,309)	(18,959)
Deferred tax liabilities	18	**(38,139)**	(22,603)	(29,395)
		(2,060,757)	(1,999,148)	(1,939,827)
Total liabilities		**(2,411,939)**	(2,325,942)	(2,341,407)
Net liabilities		**(902,967)**	(802,328)	(612,104)
EQUITY				
Share capital	19	**(171,889)**	(171,889)	(171,889)
Accumulated losses		**1,074,856**	974,217	783,993
		902,967	802,328	612,104
Attributable to:				
Shareholders		**903,811**	803,165	614,829
Non-controlling interests	21	**(844)**	(837)	(2,725)
Total shareholders deficit		**902,967**	802,328	612,104

1 This period has been restated, see note 1.d for more details

The financial statements on pages 25 to 94 were approved by the Board of Directors on 25 November 2022 and signed on its behalf by

D. Singer

D.D. Singer.
Director

25 November 2022

Global Media & Entertainment Limited
Consolidated Statement of Changes in Equity
For the year ended 31 March 2022

	Note	Share capital £'000	Accumulated losses £'000 [1]	Equity attributable to shareholders £'000 [1]	Non-controlling interests £'000	Total shareholders deficit £'000 [1]
At 1 April 2020, as previously reported	1	171,889	(730,070)	(558,181)	2,725	(555,456)
Prior year adjustments	1d	—	(56,648)	(56,648)	—	(56,648)
At 1 April 2020, restated	1	171,889	(786,718)	(614,829)	2,725	(612,104)
Loss for the year, restated	1	—	(190,120)	(190,120)	—	(190,120)
Non-controlling interest share of profit	21	—	—	—	1,924	1,924
Dividends paid to non-controlling interests	21	—	—	—	(1,955)	(1,955)
Non-controlling interests disposed during the year	21	—	—	—	(1,857)	(1,857)
Actuarial gain related to the pension scheme	26	—	1,640	1,640	—	1,640
Foreign exchange movements		—	360	360	—	360
Other		—	46	46	—	46
Deferred tax on actuarial gain	26	—	(262)	(262)	—	(262)
At 31 March 2021, restated	1	**171,889**	**(975,054)**	**(803,165)**	**837**	**(802,328)**
At 1 April 2021, restated	1	171,889	(975,054)	(803,165)	837	(802,328)
Loss for the year		—	(106,328)	(106,328)	—	(106,328)
Non-controlling interest share of profit	21	—	—	—	1,027	1,027
Dividends paid to non-controlling interests	21	—	—	—	(1,020)	(1,020)
Actuarial gain related to the pension scheme	26	—	6,126	6,126	—	6,126
Foreign exchange movements		—	536	536	—	536
Other		—	184	184	—	184
Deferred tax on actuarial gain	18	—	(1,164)	(1,164)	—	(1,164)
At 31 March 2022		**171,889**	**(1,075,700)**	**(903,811)**	**844**	**(902,967)**

1 This period has been restated, see note 1.d for more details

The notes on pages 31 to 94 form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2022

	Note	**Year ended 31 March 2022**	Year ended 31 March 2021[1]
			[1]
		£'000	£'000
Cash flows from operating activities			
(Loss) / profit for the year from continuing operations		(105,301)	(178,290)
(Loss) / profit for the year from discontinued operations		—	(9,906)
Adjustments for:			
Depreciation	11	20,563	24,364
Amortisation	10	30,874	32,632
Right of use assets depreciation	27	57,815	58,514
Loss on disposal of property, plant and equipment	11	4,443	4,094
Loss on disposal of intangible assets	10	700	—
Gain on IFRS 16 lease terminations		(47)	(1,262)
Net finance costs		149,685	148,684
Share of profits of equity-accounted investments	12	(1,224)	(1,214)
Movement in retirement benefit obligations	26	(1,876)	(1,958)
Movement in unrealised foreign exchange		—	821
Loss on disposal of investments and subsidiary undertakings	13	—	1,183
Impairment loss	11	—	589
Income tax charge/(credit)	9	13,951	(8,339)
		169,583	69,912
Changes in:			
Increase/(decrease) in Provisions		(3,135)	(10,894)
(Increase)/decrease in Inventories		58	(45)
(Increase)/decrease in Trade and other receivables		(73,933)	92,203
Increase/(decrease) in Trade and other payables		157	(9,724)
Cash flows generated from operations		92,730	141,452
Interest paid		(32,736)	(32,500)
Net income tax refund		4,379	3,039
Net cash flows from operating activities		64,373	111,991
Net cash flows from operating activities - continuing		64,373	93,874
Net cash flows from operating activities - discontinued		—	18,117
Cash flows from investing activities			
Interest received	7	—	7
Dividends received from associates	12	1,029	1,308
Acquisition of subsidiaries, net of cash acquired	24	(14,583)	—
Payments for property, plant and equipment	11	(12,920)	(15,396)
Payments for intangible assets	10	(8,377)	(3,311)
Net payments from disposal of investments and subsidiary undertakings	13	—	(4,632)
Net cash flows from investing activities		(34,851)	(22,024)
Net cash flows from investing activities - continuing		(34,851)	(21,399)
Net cash flows from investing activities - discontinued		—	(625)
Cash flows from financing activities			
Repayments of loans and borrowings	33	(63,810)	—
Repayments of lease liabilities	33	(47,886)	(53,084)

Consolidated Statement of Cash Flows

For the year ended 31 March 2022

		Year ended 31 March 2022	Year ended 31 March 2021[1]
Proceeds from lease liabilities	27	—	3,469
Dividends paid to non-controlling interests	21	(1,020)	(1,955)
Net cash flows from financing activities		(112,716)	(51,570)
Net cash flows from financing activities - continuing		(112,716)	(38,184)
Net cash flows from financing activities - discontinued		—	(13,386)
Net (decrease)/increase in cash and cash equivalents		(83,194)	38,397
FX Gain/Loss		80	—
Cash and cash equivalents at the start of the year		122,125	83,728
Cash and cash equivalents at the end of the year		39,011	122,125

[1] These numbers have been restated, refer to Note 1 (d) for explanation

The notes on pages 31 to 94 form part of these financial statements.

1. Accounting policies

a) Reporting entity

Global Media & Entertainment Limited (the “Company”) is an incorporated private company limited by shares and domiciled in the United Kingdom. Its registered address is 30 Leicester Square, London, WC2H 7LA.

These consolidated financial statements are for the Global Media & Entertainment Limited group (the “Group”) and they comprise the Company and its subsidiaries which are listed in full in note 3 of the Company Financial Statements. These financial statements are available on the Group’s website (www.global.com) and the UK Companies House website (https://www.gov.uk/government/organisations/companies-house).

The Group’s principal activities during the year were the operation of commercial radio stations in the United Kingdom and out-of-home advertising in the United Kingdom and Europe.

The consolidated financial statements were approved by the Board of Directors on 25 November 2022.

b) Statement of compliance

The financial statements have been prepared in accordance with the UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

c) Functional and presentational currency

These financial statements are presented in pound sterling (£), which is the Group and the Company’s functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

d) Basis of preparation

The financial statements have been prepared on a historical cost basis. The accounting policies set out below have been applied consistently to the Group to all periods presented in these financial statements, except in the case of new accounting standards adopted in the year, detailed below.

Comparative information
The comparative financial information has been restated to reflect certain adjustments as detailed below:

i) Leases

During the year, the Group identified issues with leases pertaining to two franchise partners. Leases with the first franchise partner had either been incorrectly classified as leases falling outside the scope of IFRS 16, were recorded with an incorrect end date and rental value, or were grouped into a bundle of leases which was not appropriate given the details of the contract. After a full review of leases pertaining to the franchise partner, all leases not accounted for appropriately under IFRS 16 were adjusted for, and Right of Use Assets and Lease Liabilities recognised/adjusted on the Statement of Financial Position, as well as adjustments made to the Statement of Comprehensive Income for depreciation, interest and adjusting the original operating lease payments.

Leases with the second franchise partner had been recognised on inception of the lease rather than on the lease commencement date which is when the underlying assets are available for use. The Group had therefore recognised lease liabilities relating to these too early and had incorrectly recognised corresponding assets for the sites not available for use within construction in progress (property, plant and equipment). This has been restated to remove the construction in progress of £20,701k and lease liabilities of £15,736k recognised on these sites, where the sites were not available for use at the corresponding Statement of Financial Position date and therefore the lease commencement date had not occurred. Payments made to the franchise partner in advance of the lease commencement date have been recorded in prepayments to the amount of £4,965k.

ii) Loans

Following a review of our contracts, we have revised our determination that the Shareholder loans had embedded derivatives within them. Under IFRS 9, these contracts should be accounted for under amortised cost rather than FVTPL which aligns with the treatment of our external debt. As such we have restated these loans to reflect amortised cost at inception of the modification of these loans in 2018.

In addition, as deferred tax was recognised on the previous fair value movements through profit and loss, these have been subsequently reversed and the tax adjusted to reflect the removal of fair value adjustments.

1. Accounting policies (continued)

d) Basis of preparation (continued)

iii) Tax

The presentation of deferred tax, and current tax has been restated in the Statement of Financial Position to offset deferred tax assets and liabilities, and current tax assets and liabilities respectively in accordance with IAS 12 and as set out in note 1.

In addition, within the deferred tax note (note 18), the deferred tax balances across property plant and equipment and intangibles have been split into two distinct categories, whereas they were previously combined.

iv) Credit Note Provision

The presentation of the Credit note provision, being £2,678k, has been restated in the Statement of Financial Position to offset correctly against Trade and other receivables.

v) Cash Flow Presentation

The prior year Consolidated Statement of Cash Flows has been restated to split the repayment of lease liabilities between the capital element and the interest element. The interest element, amounting to £21,923k, has subsequently been presented within cash flows from operating expenses to align with the Group's accounting policies for presentation of interest paid within the cash flow statement.

1. Accounting policies (continued)

d) Basis of preparation (continued)

The adjustment made to each respective impacted item is shown below:

Group	31 March 2021 £'000 Reported	31 March 2021 £'000 Adjustment Leases	31 March 2021 £'000 Adjustment Loans	31 March 2021 £'000 Adjustment Tax	31 March 2021 £'000 Adjustment Provision	31 March 2021 £'000 Adjustment Cash Flow	31 March 2021 £'000 Restated
Statement of Financial Position							
Right of use asset - cost	427,604	9,650					437,254
Right of use asset - depreciation	(101,085)	(622)					(101,707)
Property, plant and equipment	125,618	(20,701)					104,917
Deferred tax assets	38,014			(38,014)			—
Trade and other receivables	144,127	4,965			(2,678)		146,414
Current tax assets	7,573			841			8,414
Provisions (current)	(8,292)				2,678		(5,614)
Current lease liabilities	(54,571)	(850)					(55,421)
Non-current lease liabilities	(314,976)	7,635					(307,341)
Non-current borrowings	(1,621,458)		(40,398)				(1,661,856)
Non-current borrowings							
Shareholder loan notes	(1,137,080)		(2,855)				(1,139,935)
Loan from parent entity	(137,788)		(37,543)				(175,331)
Current tax liabilities	—			(841)			(841)
Deferred tax liabilities	(73,770)		13,153	38,014			(22,603)
Accumulated Losses	947,049	(77)	27,245				974,217
Income Statement							
Cost of Sales	(136,942)	1,156					(135,786)
Administrative expenses	(336,382)	(1,149)					(337,531)
Finance expense	(189,106)	52	39,323				(149,731)
Income tax credit	18,240		(9,901)				8,339
Loss for the year	(219,601)	59	29,422				(190,120)
Statement of Cash Flows							
(Loss) / profit for the year from continuing operations	(207,771)	59	29,422				(178,290)
Right of use asset depreciation	57,648	866					58,514
Net finance costs	188,059	(52)	(39,323)				148,684
Income tax charge	(18,240)		9,901				(8,339)
Interest paid	(10,577)					(21,923)	(32,500)
Repayments of lease liabilities	(74,134)	(873)				21,923	(53,084)
Increase/decrease in Trade and other receivables	89,525				2,678		92,203
Increase/decrease in Provisions	(8,216)				(2,678)		(10,894)

1. Accounting policies (continued)

d) Basis of preparation (continued)

Group	1 April 2020 £'000 Reported	1 April 2020 £'000 Adjustment Leases	1 April 2020 £'000 Adjustment Loans	1 April 2020 £'000 Adjustment Deferred Tax	1 April 2020 £'000 Restated
Restatement adjustments					
Statement of Financial Position					
Right of use asset - cost	461,602	(3,605)			457,997
Right of use asset - depreciation	(69,287)	244			(69,043)
Property, plant and equipment	173,778	(24,723)			149,055
Deferred tax assets	29,127			(29,127)	—
Trade and other receivables	255,639	5,221			260,860
Current lease liabilities	(87,703)	2,219			(85,484)
Non-current lease liabilities	(340,510)	20,662			(319,848)
Deferred tax liabilities	(81,576)		23,054	29,127	(29,395)
Non-current borrowings	(1,485,734)		(79,721)		(1,565,455)
Non-current borrowings					
Shareholder loan notes	(1,004,898)		(38,400)		(1,043,298)
Loan from parent entity	(121,158)		(41,321)		(162,479)
Accumulated Losses	727,345	(19)	56,667		783,993

e) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries
A subsidiary is an entity controlled, either directly or indirectly, by the Company. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee.

The results of a subsidiary acquired during the period are included in the Group's results from the effective date on which control is transferred to the Group. All intercompany balances and transactions, including unrealised profits arising from intra-Group transactions, have been eliminated in full.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of transition.

f) Interests in equity-accounted investments

The Group's interests in equity-accounted investments comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investments, until the date on which significant influence or joint control ceases.

1. Accounting policies (continued)

g) Government grants

Government grants are recognised where there is reasonable assurance that the grants will be received and that the Group will comply with the conditions attached to them.

Government grants that compensate the Group for expenses incurred are recognised in the Income Statement, as deductions against the related expense over the periods necessary to match them with related costs.

Government grant income is disclosed in note 5.

h) New accounting standards and interpretations not yet effective

Standards and interpretations adopted in the current year

New accounting standards, interpretations and amendments that are effective from 1 April 2021 have not had significant impact on the Group's results or Statement of Financial Position. The following new accounting standards and/or amendments are effective from 1 April 2021:

- Amendments to IFRS 9, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020)
- Amendments to IFRS 17 and Extension of the Temporary Exemption from applying IFRS 9 (Amendments to IFRS 4)
- IFRS 16 'Leases' rent concessions

New accounting standards, interpretations and amendments that are effective from 1 April 2021 have not had significant impact on the Group's results or Statement of Financial Position.

Accounting standards effective in future periods

The Directors have considered the impact on the Group of new and revised accounting standards, interpretations or amendments that are not yet effective and do not expect them to have a significant impact on the Group's results and Consolidated Statement of Financial Position.

i) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in this note, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not clear from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant impact on the amounts recognised in financial statements.

Critical judgments

Adjusted EBITDA
The identification of adjusting items is a judgement in terms of which costs or credits are not associated with the underlying trading of the business or otherwise impact the comparability of the Group's results year on year. Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortisation and is stated before any charges or credits relating to non-recurring items including restructuring, impairment and integration costs such as launch costs including rebranding, redundancy costs and acquisition related costs. This is consistent with prior year. In 2021 management exercised judgment in relation to the one off expenses classified as one off costs in relation to Covid-19.

Adjusted EBITDA is a non-statutory reporting measure and, as such, is not presented in the primary financial statements of the Group, however it is an important element of the Group's internal reporting and impacts certain performance-related remuneration costs, as reported in the financial statements.

1. Accounting policies (continued)

Determining the incremental borrowing rate used to measure lease liabilities

Determining the incremental borrowing rate used to measure lease liabilities The Group is required to determine its incremental borrowing rate (IBR) to measure lease liabilities. Judgement is applied in determining the components of the IBR used for each lease including risk-free rates, the Group's credit risk and any lease-specific adjustments. IBRs are determined bi-annually and depend on the term, country and start date of the lease. The IBR is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; and a credit risk adjustment based on a synthetic credit rating of entities within the Group.

Defined benefit pension scheme (note 26)

The Trust Deed provides the Group with an unconditional right to a refund of surplus assets assuming the full settlement of plan liabilities over time until all members have left the plan. Based on these rights, any net surplus in the scheme is recognised in full.

j) Going concern

The Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors' forecasts until March 2025 show sufficient cash will be generated from the Group's operations to be able to repay the bank loan and other obligations as they fall due together with cash available and the utilised borrowing facilities available.

The directors also applied a downside scenario to the going concern forecast by decreasing revenue by 5% and note that this does not cause the Group to breach our covenants or be unable to fulfil our debts as they fall due.

In prior periods due to Covid-19 we reached formal agreement with our banking syndicate to either remove covenants or reduce covenants. In June 2021 we reached further agreement with the banks in regards to our leverage and interest cover covenant until June 2022 and cashflow cover until September 2022.

As at 31 March 2022 the financial covenant was met. As a result, the Directors believe that the Group is well placed to manage its financing and other significant risks satisfactorily and that the Group will be able to operate within the level of its facilities for the foreseeable future. For this reason, the Directors consider it appropriate for the Group to adopt the going concern basis in preparing its financial statements.

In July 2022 we reached agreement with the banks for a waiver on historical covenants and return to more similar reporting to what was in place prior to Covid-19.

k) Segment reporting

A segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's board of Directors to make decisions about resources to be allocated to a segment and assess its performance, and for which discrete financial information is available (see note 2).

l) Foreign currency translation

Foreign currency transactions are translated into pound sterling (£), the Group's functional currency, using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign currency translation gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within finance income or finance expense. All other foreign currency translation gains and losses are presented in the Income Statement within cost of sales and administrative expenses.

The assets and liabilities of foreign operations, including fair value adjustments arising on consolidation, are translated to the Group's functional currency at foreign currency exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated at an average rate for the period, which approximates the foreign currency exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations are reported in other comprehensive income.

1. Accounting policies (continued)

m) Investments

Investments are included in the Statement of Financial Position at cost less amounts written-off, representing impairment in value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

n) Property, plant and equipment

Property, plant and equipment are stated at cost less impairment. Cost includes the original purchase price of the assets and costs attributable to bringing the asset to its working condition for its intended use.

Property, plant and equipment is depreciated at rates calculated to write off the cost less residual value of each asset over its useful economic life on a straight-line basis over the following periods:

Land & buildings	25 to 50 years
Leasehold improvements	Over the term of the lease
Transmitters, fixtures and technical equipment	3 to 20 years

Gains and losses on disposals of assets are calculated as the difference between the proceeds received and the carrying value of the asset at the time of disposal and are recognised in the Income Statement.

Construction in progress (CIP) includes components purchased for incorporating into advertising sites and other assets, which are recorded at the lower of cost and net realisable value of the separate items of stock or groups of similar items. Assets in the course of contribution are recorded at cost to date and represents the amount of other expenditure on advertising sites which are not yet installed or ready for service.

Impairment of property, plant and equipment
Impairment reviews of property, plant and equipment are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the Income Statement.

o) Intangible assets and goodwill

Research and software development costs

Research costs are expensed as incurred. Software development expenditure that are directly attributable to the design and testing of the identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria is met:

- The technical feasibility of completing the intangible asset so that the asset will be available for use;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure the reliability of the expenditure during development to complete the software product so that it will be available for use;

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

1. Accounting policies (continued)

o) Intangible assets and goodwill (continued)

Amortisation
Amortisation is charged to Administrative expenses within the Income Statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available to use. The estimated useful lives are as follows:

Software	1 to 7 years
Franchise rights	2 to 22 years
Other	4 to 8 years

Impairment of intangible assets (excluding goodwill)
Impairment reviews are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an intangible asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the Income Statement.

p) Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually or more frequently if events or changes in circumstances indicate that the carry value may be impaired.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. Subsequent changes to the fair value will be recognised either within the Income Statement or in other comprehensive income.

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Identifiable intangible assets, meeting either the contractual-legal or separability criterion are recognised separately from goodwill. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill in respect of an acquired subsidiary is recognised as an intangible asset. Goodwill in respect of an acquired associate or joint venture is included within investments accounted for using the equity method.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Where the fair value of the interest acquired in an entity's assets, liabilities and contingent liabilities exceeds the consideration paid, the excess is recognised immediately as a gain in the Income Statement.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash generating unit, to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash generating unit retained.

q) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and money market deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the Statement of Cash Flows.

1. Accounting policies (continued)

r) Share capital

Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Share premium
The share premium account represents the amount subscribed for share capital in excess of nominal value, less any costs directly attributable to the issue of new shares.

Reserves
The retained deficit represents the cumulative net gains and losses recognised in the Income Statement and Statement of Comprehensive Income.

Dividends
Dividends on ordinary share capital are recognised as a liability in the Group's financial statements in the period in which they are declared. In the case of interim dividends, these are considered to be declared when they are paid and in the case of final dividends these are declared when authorised by the shareholders.

s) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost. Trade payables are classified as current liabilities if payment is due within one year or less, otherwise they are presented as non-current liabilities.

t) Borrowings

Borrowings are recognised at fair value, net of transaction costs incurred. Borrowings are measured subsequently at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Bank Loans as disclosed in note 16 of these Financial Statements, are subsequently measured at amortised cost net of translation costs. The variable interest on the external bank loan is tied to the leverage ratio of the company and the SONIA Daily Rate impacting on the interest rate charged on the loans; therefore is subject to change.
Shareholder loan notes, as disclosed in note 16 of these Financial Statements, are subsequently measured at amortised cost net of transaction costs. The interest free shareholder loan uses an effective interest rate of 7.91% to calculate the fair value, with the movement in the year recognised in Finance expenses.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

The difference between the initially recognised fair value of the interest free loan and its nominal value is recognised as a capital contribution within reserves and amortised over the term of the loan.

Transaction costs relating to the borrowings are included in the carrying amount of the liability and are amortised over the lives of the borrowings using the effective interest method.

u) Finance income and expense

Finance income comprises interest received on cash balances.

Finance expense comprises interest payable on borrowings, amortisation and write off of debt issuance costs and the unwinding of the discount on non-current provisions.

Interest is recognised in profit or loss as it accrues, using the effective interest rate. Interest payable on borrowings includes a charge in respect of attributable transaction costs, which are recognised in profit or loss over the period of the borrowings on an effective interest basis.

1. Accounting policies (continued)

v) Financial instruments

A financial instrument is initially recognised at fair value on the Statement of Financial Position when the entity becomes party to the contractual provisions of the instrument. A financial instrument is derecognised when the contractual rights to the cash flows expire or substantively all risks and rewards of ownership are transferred.

The Group's financial assets are classified in accordance with IFRS 9 and subsequently measured at amortised cost or fair value, depending on classification.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

– the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets
The Group recognises a provision for expected credit losses on financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial instrument.

In assessing whether the credit risk has increased significantly, the Group considers both quantitative and qualitative information that is both reasonable and supportable, including historical experience and forward-looking information. The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

For all financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the cash flows the Group expects to receive, discounted at the original effective interest rate.

Financial liabilities
Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest method.

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as FVTPL.

Financial liabilities at FVTPL are measured at fair value with any gains or losses arising on changes in fair value recognised in profit or loss (except for those attributable to changes in the credit risk of the liability, which is instead recorded in other comprehensive income). Amounts recognised in other comprehensive income are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost
All other financial liabilities are measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Income Statement.

w) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which

1. Accounting policies (continued)

applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Financial Position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

x) Employee benefits

Short term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37. Provisions, contingent liabilities and contingent assets (“IAS 37”) and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than one year after the end of the reporting period are discounted to their present value.

Defined contribution pension scheme
The Group operates employee stakeholder retirement and death benefit schemes. Both employees and employers are required to make contributions with the employers’ contributions for each employee determined by the level of contribution made by the employee and the employee’s length of service within the Group or subsidiary company. The employer’s contributions are charged to profit and loss in the year in which the contributions are due.

Defined benefit pension schemes

The Group operates two defined benefit pension schemes which require contributions to be made to separately administered funds. The cost of providing benefits under the plans are determined using independent actuarial valuations. These are based on the projected unit credit method and are recognised in accordance with the advice of a qualified actuary. Past service costs resulting from enhanced benefits are recognised on a straight-line basis over the vesting period or immediately if the benefits have vested.

Re-measurement gains and losses, and taxation thereon, are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods. Re-measurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest) and changes in the amount of any asset restrictions.

1. Accounting policies (continued)

Actuarial gains and losses may result from differences between the actuarial assumptions underlying the plan liabilities and actual experience during the year or changes in the assumptions used in the valuation of the plan liabilities.

The aggregate defined benefit liability or asset recognised in the Statement of Financial Position comprises the present value of the benefit obligation using a discount rate based on appropriate high quality corporate bonds, at the reporting date, minus any past service costs not yet recognised, minus the fair value of the plan assets, if any, at the reporting date. Where the plans are in surplus, the asset recognised is limited to the amount which the Group expects to recover by way of refunds or reduction in future contributions.

y) Share-based payments

The Group has a long-term incentive share scheme under which it makes cash-settled share-based payments to eligible employees. The cost of cash-settled share-based payments are measured at fair value at the date of grant and recognised as an expense over the vesting period, which ends on the date on which the employees become fully entitled to the reward.

Fair value is estimated using appropriate models for the awards under consideration. In valuing cash settled transactions, no account is taken of any vesting conditions, other than the performance conditions linked to the value of the shares of the Company (market conditions). Any other conditions which are required to be met in order for an employee to become fully entitled to an award are considered to be non-vesting conditions. These are also taken into account in determining the grant date fair value.

No expense is recognised for awards that do not ultimately vest, except for cash-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

At each reporting date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the number of the achievement or otherwise of non-market vesting conditions and of the number of equity instruments that will ultimately vest or, in the case of an instrument subject to a market condition, be treated as vesting. The movement in cumulative expense since the previous reporting date is recognised in the Income Statement, with a corresponding entry to the liability.

Where a cash-settled award is cancelled (where non-vesting conditions within the control of either the entity or the employee are not met), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is expensed immediately. The fair value of the liability is remeasured at the date of cancellation or settlement. Any payment made to settle the liability component shall be accounted for as an extinguishment of the liability.

z) Provisions

Provisions for onerous leases, restructuring costs, legal claims and other future costs are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the costs expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Restructuring provisions are recognised only when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected. The measurement of such a provision includes only the direct expenditures arising from the restructuring, not those associated with the ongoing activities of the entity.

1. Accounting policies (continued)

aa) Revenue recognition

Revenue recognition is based on the satisfaction of performance obligations, and an assessment of when control is transferred to the customer. The transaction price is allocated to these identified performance obligations, including an estimate of any variable consideration, and stated net of any sales taxes, agency commissions and trade discounts.

Customer contracts vary across the Group and contain a variety of performance obligations. Under IFRS 15, the Group must evaluate whether the goods or services are transferred over time or at a point in time for each performance obligation.

A summary of how the key classes of revenue are recognised is provided below:

Radio advertising	Point in time, at date of broadcast
Sponsorship	Over the term of the contract
DAX	Point in time, at date of broadcast
Transmission fees	Over the term of the contract
Production of adverts	Point in time, on date of release to clients
Enterprise revenue	Point in time, on agreed settlement with all parties
Out-of-home media revenue	Over the term of the contract
Out-of-home production revenue	Point in time, when provided for use

For goods and services that are transferred over time, revenue is recognised based on the number of days that have transpired at the reporting date.

Customer contracts are generally less than one year in duration, as are all standard payment terms, and therefore no significant financing components exist within the Group's operations.

The transaction price is determined by the agreed terms of the contract. In some instances, contracts will comprise an element of variable consideration, often in the form of volume-based rebates. In these instances, the total transaction price of the contract is reduced by the estimated variable consideration.

The Group applies the practical expedient to expense all incremental costs in obtaining new contracts when incurred on the condition that the contract is less than one year in duration.

Revenue on barter transactions is recognised only when the services being exchanged are of a similar nature.

Contract assets
A contract asset is the right to consideration in exchange for goods and services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

1. Accounting policies (continued)

bb) Fair value measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Set out below is an analysis of the valuation method of the Group's financial instruments:

The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable, for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group has no assets or liabilities where fair values have been determined for measurement purposes.

cc) Financial guarantee contracts

Where the Group enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Group considers these to be insurance arrangements, and financial statements for them as such. In this respect, the Group treats the guarantee contact as a contingent liability until as such time as it becomes probable that the Group will be required to make a payment under the guarantee.

dd) Financial guarantee contracts

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of a contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. The lease liability and right of use asset are recognised on the lease commencement date which is the start date on which the underlying asset is made available for use by the Group. For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired, as part of the overall intangibles impairment review, and accounts for any identified impairment loss, as described in note 10.

1. Accounting policies (continued)

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Where lease contract is modified and the lease modification is not accounted for as a separate lease, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate in line with the treatment given under IFRS 16.

2. Operating segments

The Group's chief operating decision maker has been identified as the Board of Directors. The Board of Directors review the Group's internal reporting monthly in order to assess performance and allocate resources.

Management has determined the operating segments based on the reports used by the Board. The Board mainly assesses performance based on adjusted EBITDA. Management does not review individual balance sheets as part of their monthly review.

In the current year the Group has two reportable segments in the year being commercial radio broadcasting including DAX (Audio) in the UK and US and out of home advertising (Outdoor) operating in the UK and Europe.

Most of the Group's trading is carried out and recognised within the United Kingdom, though the Group also operates across North America and Europe.

All transactions between segments are completed on an arm's length basis. There were no contracts in the year that represented greater than 10% of the Group continuing consolidated revenue.

Year ended 31 March 2022

	Audio	Outdoor	Continuing Total
	£'000	£'000	£'000
Total revenue	391,087	290,740	681,827
Revenue from external customers	**391,087**	**290,740**	**681,827**
Cost of sales	(100,274)	(156,820)	(257,094)
Gross profit	**290,813**	**133,920**	**424,733**
Operating expenses (excluding exceptional, depreciation and amortisation)	(172,688)	(74,555)	(247,243)
Adjusted EBITDA *	**118,125**	**59,365**	**177,490**
Other expenses	(41,903)	(78,476)	(120,379)
Operating profit / (loss)	**76,222**	**(19,111)**	**57,111**
Net finance expense	(128,158)	(21,527)	(149,685)
Share of profit / (loss) of equity-accounted investees, net of tax	1,224	—	1,224
Loss before taxation	**(50,712)**	**(40,638)**	**(91,350)**

Year ended 31 March 2021

	Audio	Outdoor	Continuing Total
	£'000	£'000	£'000
Total revenue	314,116	120,042	434,158
Revenue from external customers	**314,116**	**120,042**	**434,158**
Cost of sales	(55,827)	(79,959)	(135,786)
Gross profit	**258,289**	**40,083**	**298,372**
Operating expenses (excluding exceptional, depreciation and amortisation)	(159,170)	(48,094)	(207,264)
Adjusted EBITDA*	**99,119**	**(8,011)**	**91,108**
Other expenses	(25,795)	(104,472)	(130,267)
Operating profit / (loss)	**73,324**	**(112,483)**	**(39,159)**
Net finance expense*	(103,820)	(44,864)	(148,684)
Share of profit / (loss) of equity-accounted investees, net of tax	1,214	—	1,214
Loss before taxation	**(29,282)**	**(157,347)**	**(186,629)**

*The reconciliation and definition of Adjusted EBITDA is disclosed on page 7 of the financial statements. Adjusted EBITDA has been restated for Outdoor in 2021 and Net finance expense restated in Audio in 2021 as discussed in Note 1(d).

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Amortisation of intangible assets	**30,874**	32,632
Depreciation of property, plant and equipment	**20,563**	24,364
Depreciation of right of use assets*	**57,815**	58,514
Net impairment of trade receivables	**2,487**	(5,316)
Loss on disposal of property, plant and equipment	**4,443**	26,013
Loss on disposal of intangibles	**700**	9,350

* Depreciation of right of use assets has been restated refer to note 1d for further details.

Auditors' remuneration for audit and non-audit services during the year was:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
For the audit of the Group's annual financial statements	**706**	540
For the audit of subsidiaries of the Group	**394**	250
Total audit fees	**1,100**	790
Fees payable to the Group's auditor and its associates in respect of:		
Taxation compliance services	**16**	25
Corporate finance services	**—**	35
Pension services	**—**	209
Share option plan services	**—**	175

The comparatives for this note reflect the fees the Company paid Deloitte LLP who were the auditors for the year ended 31 March 2021.

4. Revenue

a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Audio	**391,087**	314,116
Outdoor	**290,740**	120,042
Revenue from continuing operations	**681,827**	434,158

4. Revenue (continued)

Geographic split of revenue recognition for continuing operations:

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000
Europe	**64,495**	40,935
North America	**13,616**	12,005
United Kingdom	**603,716**	381,218
	681,827	434,158

Timing of revenue recognition for continuing operations:

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000
Goods and services transferred at a point in time	**399,984**	315,075
Goods and services transferred over time	**281,843**	119,083
	681,827	434,158

Goods and services transferred over time includes commission revenue, sponsorships, transmission fees and outdoor media revenue. All other revenue for the group relates to goods and services that are transferred at a point in time.

b) Contract balances

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000
Contract assets	**12,459**	14,025
Contract liabilities	**8,330**	12,163

The timing of invoicing, cash collection and revenue recognition results in trade receivables, contracts assets and contract liabilities in the Group's statement of financial position. Contract assets and liabilities are included in trade receivables and trade payables balances within the Statement of Financial Position.

As at the reporting date, any goods or services that have been transferred to customers for which consideration has not yet been received (or invoiced for) are recognised as a contract asset. Any consideration that has been received (or invoiced for) in relation to goods or services that have not been transferred to the customer is recognised as a contract liability.

Contract asset balances, where applicable, are stated net of provisions for impairment. All contract balances relate to performance obligations expected to be settled within a year, and are classified as current in the consolidated statement of financial position.

Revenue recognised in the current period that was included in the contract liability balance at the beginning of the period was £8.1m (2021: £18.4m). There was no revenue recognised in the period from performance obligations satisfied (or partially satisfied) in previous periods.

The Group applies the practical expedient provided by the standard not to disclose information about unsatisfied performance obligations on the basis that all such performance obligations are part of contracts that have an expected duration of less than one year.

5. Employees

The average number of people employed by the Group (including Directors) during the year, analysed by category was as follows:

	Year ended 31 March 2022 Number	Year ended 31 March 2021 Number
Sales and marketing	**946**	1,177
Programming	**477**	380
Administration	**687**	412
	2,110	1,969

All members of staff are contractually employed by subsidiary companies within the Group and not under direct employment by Global Media & Entertainment Limited (the Company).

The aggregate remuneration costs of these employees were as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Wages and salaries	**120,582**	103,479
Social security costs	**13,233**	11,409
Other Pension costs	**4,155**	4,020
	137,970	118,908

During the year, the Group has received support from governments in connection with its response to the Covid-19 pandemic. This support included furlough and job retention scheme relief and tax payment deferral schemes. The Group has recognised government grant income of £1.6m (2021: £7.3m) in relation to furlough programmes, such as the Coronavirus Job Retention Scheme (CJRS) in the UK, and its equivalents in other countries.

There are no unfulfilled conditions or contingencies attached to these grants.

6. Directors

The remuneration costs of the Group's Directors were:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Remuneration	**8,706**	6,534
	8,706	6,534

Total remuneration includes £1,000 of contributions for 3 directors to the defined contribution schemes (2021: £20,000).

The remuneration of the highest paid Director was:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Aggregate emoluments	**2,373**	2,370
	2,373	2,370

The amounts disclosed above represent the remuneration for the qualifying services of the Directors of the Group.

6. Directors (continued)

IAS 24 *Related party transactions* ("IAS 24") requires the Group to disclose all transactions and outstanding balances with the Group's key management personnel. IAS 24 defines key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The key management personnel who are responsible for planning, directing and controlling the activities of the Group and the Company are the Group's Directors.

During the prior year, a number of Directors including the highest paid Director were granted loans in relation to an cash-settled share-based payment arrangement. The loans are due for repayment on the settlement of the scheme. The loan balances outstanding are:

	31 March 2022	31 March 2021
	£'000	£'000
Loans to directors in relation to cash-settled share based payment arrangement	**461**	461

No interest has been charged on the loans made to directors (2021: £nil).

7. Finance income

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000
Bank interest receivable	**—**	7
Interest on pension scheme assets	**1,027**	1,040
	1,027	1,047

8. Finance expense

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000 [1]
Interest payable on bank loans and overdrafts	**10,392**	10,509
Interest payable on other loans	**101,691**	98,513
Amortisation of debt issue costs	**1,483**	1,483
Interest on lease liabilities	**22,285**	24,644
Interest expense on parent company loan	**13,890**	12,786
Foreign exchange movements	**—**	821
Interest on pension scheme liabilities	**877**	975
Other finance expenses	**94**	—
	150,712	149,731

[1] These numbers have been restated, refer to note 1d for explanation.

9. Income tax charge/(credit)

(a) Analysis of tax charge in the year

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000 [1]
Current tax expense		
Corporation tax on the (loss) / profit for the year	**3,591**	956
Adjustments in respect of prior years	**(1,578)**	(3,767)
Total current tax (credit) / expense	**2,013**	(2,811)
Deferred tax (credit) / expense		
Effects of changes in tax rates	**7,142**	2,385
(Recognition)/non recognition of deferred tax on temporary differences	**4,901**	8,620
Origination and reversal of temporary differences	**(1,667)**	(19,244)
Adjustments in respect of prior years	**1,562**	2,711
Total deferred tax (credit) / expense	**11,938**	(5,528)
Income tax charge / (credit)	**13,951**	(8,339)

[1] These numbers have been restated, refer to note 1d for explanation.

(b) Factors affecting the tax charge in the year

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000 [1]
Loss before tax	**(91,350)**	(186,629)
Loss before tax multiplied by the standard rate of corporation tax of 19% (2019: 19%)	**(17,357)**	(35,460)
Effects of:		
Expenses not deductible for tax purposes	**3,737**	3,671
Interest expense not deductible for tax purposes	**15,155**	14,236
Non recognition of deferred tax on temporary differences	**4,901**	8,620
Special factors affecting joint-ventures and associates	**—**	—
Impact of equity-accounted investments	**(229)**	(227)
Effects of changes in tax rates	**7,142**	2,385
Adjustments in respect of prior years	**(16)**	(1,056)
Overseas rates vs UK rates	**618**	(508)
Income tax charge / (credit)	**13,951**	(8,339)

[1] These numbers have been restated, refer to note 1d for explanation.

See below a reconciliation of the tax change within this note to that presented within the income statement.

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000 [1]
Income tax (credit) / charge for continuing operations	**13,951**	(8,339)
Income tax charge for discontinued operations	—	228
Total income tax (credit) / charge	**13,951**	(8,111)

[1] These numbers have been restated, refer to note 1d for explanation.

9. Income tax charge/(credit) (continued)

(c) Factors that may affect future tax charge

The tax rates used to measure the deferred tax assets and liabilities recorded in these financial statements are the tax rates in the period in which we expect the deferred tax assets or liabilities to crystallise.

In Finance Act 2021, it was enacted that the main rate of UK corporation tax would be increased to 25.0% from 1 April 2023. UK deferred tax has been valued at either 19.0% or 25.0% (31 March 2021: 19.0%) depending on the period in which it is forecast to unwind.

10. Intangible assets

	Software costs	Franchise rights	Other	Licenses	Brands and trademarks	Goodwill	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2021	43,878	374,901	540	20,035	16,458	978,430	1,434,242
Acquisitions	55	3,905	4,245	1,450	—	11,384	21,039
Additions	8,241	—	136	—	—	—	8,377
Disposals	(700)	—	—	—	—	—	(700)
Transfers	719	—	44	—	—	—	763
Effects of movements in foreign exchange	(38)	(586)	(189)	80	30	272	(431)
At 31 March 2022	52,155	378,220	4,776	21,565	16,488	990,086	1,463,290
Accumulated amortisation and impairment							
At 1 April 2021	18,744	64,361	462	13,126	16,456	524,040	637,189
Charge for the year	10,104	18,515	1,315	940	—		30,874
Transfers	421						421
Effects of movements in foreign exchange	151	—	(45)	7	5	—	118
At 31 March 2022	29,420	82,876	1,732	14,073	16,461	524,040	668,602
Net book value							
At 31 March 2022	**22,735**	**295,344**	**3,044**	**7,492**	**27**	**466,046**	**794,688**

	Software costs	Franchise rights	Other	Licenses	Brands and trademarks	Goodwill	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2020	45,783	390,362	704	20,063	16,458	978,858	1,452,228
Additions	3,310	—	1	—	—	—	3,311
Disposals	(8,792)	(7,790)	44	12	—	—	(16,526)
Transfers	4,015	—	—	—	—	—	4,015
Effects of movements in foreign exchange	(438)	(7,671)	(209)	(40)	—	(428)	(8,786)
At 31 March 2021	43,878	374,901	540	20,035	16,458	978,430	1,434,242
Accumulated amortisation and impairment							
At 1 April 2020	14,855	45,649	423	10,907	16,456	524,040	612,330
Charge for the year	10,100	20,082	203	2,247	—	—	32,632
Effects of movements in foreign exchange	(286)	(63)	(208)	(40)	—	—	(597)
Disposals	(5,925)	(1,307)	44	12	—	—	(7,176)
At 31 March 2021	18,744	64,361	462	13,126	16,456	524,040	637,189
Net book value							
At 1 April 2020	30,928	344,713	281	9,156	2	454,818	839,898
At 31 March 2021	25,134	310,540	78	6,909	2	454,390	797,053

10. Intangible assets (continued)

During the year, the Group capitalised £4.3m (2021: £3.3m) of software development costs. Such costs are in relation to internally generated systems meeting the definition of a separately identifiable intangible asset under IAS 38 and not categorised as a SaaS arrangement.

Goodwill

Impairment review

The Group completes an impairment review of goodwill annually. In accordance with IAS 36 - Impairment of assets ("IAS 36"). The Group tests for impairment of goodwill at the operating segment level (see note 2 for operating segments) representing an aggregation of Cash Generating Units ("CGUs)" and reflects the level at which goodwill is monitored in the business.

The Group estimates value in use by projecting pre-tax cash flows for the next three years, together with a terminal value using a long-term growth rate to determine recoverable amount. The key assumptions underpinning the recoverable amounts of the CGUs tested for impairment are forecast revenue, EBITDA and discount rate.

The cash flows used for the impairment testing for each CGU are based on the Group's latest budget and forecast cash flows, covering a three-year period, which have regard to historical performance and where they see the performance of the CGUs given the industry sector in which they operate. Management have made several key assumptions, specifically on cash flows, pre-tax discount rates and long term growth rates.

The key assumptions used by management alongside the cash flow forecasts are as follows:

CGU	Headroom on CGU £000		Long term growth rate (LTGR) (%)		Pre-tax discount rates (%)	
	2022	2021	2022	2021	2022	2021
Outdoor	92,500	52,000	1.9	1.6	11.0	11.5
Audio	924,400	657,000	1.9	1.6	11.0	13.5

The pre-tax discount rates used in the value in use calculations reflect the Group's assessment of the current market and other risks specific to the CGUs. Long-term growth rates are applied after the forecast period. Long-term growth rates are based on calculations by externally engaged specialists regarding long-term GDP growth rates for the main geographic markets in which each CGU operates. The headroom shown above represents the excess of the recoverable amount over the carrying value for both the Audio CGU and the Outdoor CGU.

Management's review of the Intangible assets and Property plant and equipment using the same cash flows used in their annual goodwill assessment determined there were no additional impairments required.

The Group has undertaken a sensitivity analysis based on changes to key assumptions considered to be reasonably possible by management. These sensitivities around discount rate and growth rate have been considered as to whether they are reasonably likely to either erode headroom or give risk of material adjustment to carrying values across CGU groups.

The total carrying value of Goodwill at 31 March 2022 is £466,046k which is allocated to the CGUs. The allocated Goodwill for each CGU is £350,829k (Audio) and £115,217k (Outdoor).

Management noted that there were no reasonably possible changes that would cause an impairment in the Audio and Outdoor CGUs.

11. Property, plant and equipment

	Land and buildings	Transmitters, fixtures and technical equipment	Construction in progress	Leasehold improvements	Total
	£'000	£'000	£'000	£'000	£'000
Cost			[1]		[1]
At 1 April 2021	14,501	114,913	8,262	1,090	138,766
Additions	—	967	11,802	—	12,769
Acquisitions	—	787	—	—	787
Disposals	—	(23,505)	(3,004)	(965)	(27,474)
Transfers	—	8,477	(10,464)	1,224	(763)
Effects of movements in foreign exchange	—	(968)	(7)	(2)	(977)
At 31 March 2022	14,501	100,671	6,589	1,347	123,108
Accumulated depreciation					
At 1 April 2021	1,706	31,357	589	197	33,849
Charge for the year	62	19,040	—	1,461	20,563
Effects of movements in foreign exchange	—	(859)	—	(1)	(860)
Transfers	—	(421)	—	—	(421)
Disposals	—	(20,794)	—	(961)	(21,755)
At 31 March 2022	1,768	28,323	589	696	31,376
Net book value					
At 31 March 2022	**12,733**	**72,348**	**6,000**	**651**	**91,732**

[1] This period has been restated. Please see note 1d for details.

	Land and buildings	Transmitters, fixtures and technical equipment	Construction in progress	Leasehold improvements	Total
	£'000	£'000	£'000	£'000	£'000
Cost			[1]		[1]
At 1 April 2020	16,461	134,025	22,109	1,507	174,102
Additions	95	1,232	10,706	—	12,033
Disposals	(2,046)	(29,367)	(3,620)	(472)	(35,505)
Transfers	—	16,769	(20,878)	94	(4,015)
Effects of movements in foreign exchange	(9)	(7,746)	(55)	(39)	(7,849)
At 31 March 2021	14,501	114,913	8,262	1,090	138,766
Accumulated depreciation					
At 1 April 2020	1,904	23,076	—	67	25,047
Charge for the year	1,478	22,608	—	278	24,364
Impairment	—	—	589	—	589
Effects of movements in foreign exchange	—	(6,636)	—	(23)	(6,659)
Disposals	(1,676)	(7,691)	—	(125)	(9,492)
At 31 March 2021	1,706	31,357	589	197	33,849
Net book value					
At 31 March 2020	14,557	110,949	46,832	1,440	173,778
At 31 March 2021	12,795	83,556	7,673	893	104,917

[1] This period has been restated. Please see note 1d for details.

11. Property, plant and equipment (continued)

Depreciation charged in relation to the discontinued operations in the year was £0m (2021: £2.9m) as disclosed within note 29. There were no discontinued operations in the year ended 31 March 2022.

12. Equity accounted investments

	Investments in ioint ventures £'000	Investments in associates £'000	Total £'000
Cost			
At 1 April 2021	729	503	1,232
Share of profit of equity accounted investments	803	421	1,224
Dividends received from equity accounted investments	(750)	(279)	(1,029)
At 31 March 2022	**782**	**645**	**1,427**

	Investments in joint ventures £'000	Investments in associates £'000	Total £'000
Cost			
At 1 April 2020	687	639	1,326
Share of profit of equity accounted investments	792	422	1,214
Dividends received from equity accounted investments	(750)	(558)	(1,308)
At 31 March 2021	**729**	**503**	**1,232**

The Group's investments in associates are:

Name	Country	% of ordinary share capital ownership
EG Digital Limited	UK	49.0
The Digital Radio Group (London) Limited	UK	46.5

The Group's investments in joint ventures are:

Name	Country	% of ordinary share capital ownership
CE Digital Limited	UK	50.0

The principal activity of CE Digital is that of managing multiplexes and is considered strategic to the Group's activities.

The registered addresses of the Group's joint ventures and associates are:

Company	Registered Address
EG Digital Limited	Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
The Digital Radio Group (London) Limited	30 Leicester Square, London, WC2H 7LA
CE Digital Limited	30 Leicester Square, London, WC2H 7LA

13. Investments

	Cost £'000	Total £'000
Cost		
At 1 April 2021	643	643
At 31 March 2022	643	643
Impairment		
At 1 April 2021	308	308
At 31 March 2022	308	308
Net book value		
At 31 March 2022	**335**	**335**

	Cost £'000	Total £'000
Cost		
At 1 April 2020	1,142	1,142
Disposals	(499)	(499)
At 31 March 2021	643	643
Impairment		
At 1 April 2020	308	308
At 31 March 2021	308	308
Net book value		
At 31 March 2021	**335**	**335**

The prior period investment disposed of was held by the France Outdoor subsidiary that was disposed of during the year, refer to note 29.

14. Trade and other receivables

	31 March 2022 £'000	31 March 2021[1] £'000
Gross trade receivables	**189,236**	109,299
Less provision for impairment	**(9,008)**	(6,521)
	180,228	102,778
Other debtors	**8,507**	10,078
Prepayments	**19,977**	19,533
Contract assets	**12,459**	14,025
	221,171	146,414

[1] This period has been restated. Please see note 1d for details.

14. Trade and other receivables (continued)

	31 March 2022	31 March 2021[1]
	£'000	£'000
Balance at the beginning of the year	**6,521**	11,837
Movement in provision	**2,487**	(5,316)
Balance at the end of the year	**9,008**	6,521

[1] This period has been restated. Please see note 1d for details.

The above table details the movements in the provision for the impairment of trade receivables.

The carrying value of trade and other receivables is a reasonable approximation of the fair value of trade and other receivables. The Group measures the provision for impairment at an amount equal to lifetime expected credit losses (ECL), estimated with reference to past default experience, offsetting of rebate balances as well as the debtor's current financial position.

There has been no change in significant assumptions made during the current reporting period and the provision remains immaterial to the Group's trade receivable balances.

The Group writes off a trade receivable where there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

There are no material overdue trade receivables that have not been provided against and there is no contractual balance outstanding on financial assets written off during the year.

Credit Note Provision
The presentation of the Credit note provision, being £(2,680)k, has been restated from Provisions, to offset against Trade and other receivables.

15. Trade and other payables

Current	31 March 2022	31 March 2021
	£'000	£'000
Trade payables	**41,637**	62,870
Other taxes and social security costs	**11,177**	19,625
Other creditors	**16,087**	8,378
Accruals	**104,723**	75,270
Contract liabilities	**8,330**	12,163
	181,954	178,306

Non-Current	31 March 2022	31 March 2021
	£'000	£'000
Other creditors	**—**	39
	—	39

15. Trade and other payables (continued)

The carrying value of trade and other payables is a reasonable approximation of the fair value of trade and other payables. All of the Group's trade and other payables are held at amortised cost using the effective interest method.

16. Borrowings

Current	**31 March 2022**	31 March 2021
	£'000	£'000
		1
Bank loans and overdrafts	**67,864**	62,514
Accrued interest	**28,059**	24,098
	95,923	86,612

[1] These numbers have been restated, refer to note 1d for explanation.

Non-Current	**31 March 2022**	31 March 2021
	£'000	£'000
		1
Bank loans	**278,915**	346,590
Other loans	**1,426,865**	1,315,266
	1,705,780	1,661,856
Total borrowings	**1,801,703**	1,748,468

[1] These numbers have been restated, refer to note 1d for explanation.

The nominal value of the Group's borrowings at each reporting date is as follows:

	31 March 2022	31 March 2021
	£'000	£'000
Accrued interest	**28,059**	24,098
Senior term loans	**349,173**	412,981
Shareholder loan notes	**1,237,665**	1,139,935
Loan from parent entity	**204,165**	204,165
	1,819,062	1,781,179

16. Borrowings (continued)

The book value of the Group’s borrowings at each reporting date is as follows:

	31 March 2022	31 March 2021
	£'000	£'000 [1]
Accrued interest	**28,059**	24,098
Senior term loans	**346,779**	409,104
Shareholder loan notes	**1,237,665**	1,139,935
Loan from parent entity	**189,200**	175,331
	1,801,703	1,748,468

The interest rates on the Group’s borrowings are as follows:

Interest rates on variable interest borrowings	**31 March 2022**	31 March 2021
	% above benchmark	% above LIBOR
Shareholder loan notes	**7.50 %**	7.00 %
Senior term loans	**2.50 %**	2.50 %

The benchmark for Shareholder loans is the Bank of England base rate while SONIA is used as the basis for senior term loans.

Interest rates on fixed interest borrowings	**31 March 2022**	31 March 2021
	Fixed rate	Fixed rate
Shareholder loan notes	**15.00 %**	15.00 %
Loan from parent entity	**0.00 %**	0.00 %

The Group’s borrowings have the following maturity profile:

	31 March 2022	31 March 2021
	£'000	£'000 [1]
Less than one year	95,559	85,972
One to five years	1,723,503	1,695,207
	1,819,062	1,781,179

[1] These numbers have been restated, refer to note 1d for explanation.

The Shareholder loans are listed on the International Stock Exchange (“TISE”). On 31 December 2021 the Shareholder Loan notes had interest of £97.8m (2021: £96.6m)

The Group has undrawn committed borrowing facilities of £10.0m at 31 March 2022 (2021: £10.0m).
Significant non-cash transactions in the year in respect of financing activities comprised unpaid interest which was capitalised into borrowings of £97.8m (2021: £96.7m).

The external debt facility is due for repayment on 23 December 2024.

17. Provisions

	£'000
	1
At 1 April 2021	12,923
Additions	1,111
Disposal of assets	(1)
Effects of movement in foreign exchange	(45)
Utilised during the year	(4,200)
At 31 March 2022	**9,788**

	£'000
	1
At 1 April 2020	20,232
Additions	2,511
Disposal of subsidiary	(8,596)
Effects of movements in foreign exchange	(73)
Transferred during the year	1,797
Utilised during the year	(2,948)
At 31 March 2021	**12,923**

The breakdown of provisions between current and non-current is as follows:

	31 March 2022	31 March 2021
	£'000	£'000
		1
Current	**3,551**	5,614
Non-Current	**6,237**	7,309
Total	**9,788**	12,923

1 This period has been restated. Please see below for details.

Provisions include asset retirement obligation provisions (£9.7m) and other provisions (£0.1m) for the year ended 31 March 2022 (2021: £11.7m and £1.2m respectively)

Asset retirement obligation provisions represent the Group's estimated cost for removing advertising structures as agreed in its franchise agreements and the cost of returning its leased offices and warehouses to its original state at the end of the lease term. The estimated cost is discounted at a risk free rate with a similar currency and remaining term as the provision.

Credit Note Provision

The presentation of the Credit note provision has been restated from Provisions to offset against Trade and other receivables.

18. Deferred tax

	Property, plant and equipment	Intangible assets	Tax losses	Interest restricted under corporate interest restriction	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Deferred tax assets	17,595	—	14,030	9,455	749	41,829
Deferred tax liabilities	(994)	(62,205)	—	—	(1,233)	(64,432)
At 1 April 2021	16,601	(62,205)	14,030	9,455	(484)	(22,603)
Credited/(charged) to the income statement	1,227	(9,572)	(4,008)	1,136	(721)	(11,938)
Recognised in other comprehensive income / Consolidated Statement of Changes in Equity	8	156	—	—	(1,164)	(1,000)
Acquired in the year	—	(2,598)	—	—	—	(2,598)
At Disposed in the year	—	—	—	—	—	—
At 31 March 2022	17,836	(74,219)	10,022	10,591	(2,369)	(38,139)
Deferred tax assets	**18,685**	**—**	**10,022**	**10,591**	**1,291**	**40,589**
Deferred tax liabilities	**(849)**	**(74,219)**	—	**—**	**(3,660)**	**(78,728)**
At 31 March 2022	**17,836**	**(74,219)**	**10,022**	**10,591**	**(2,369)**	**(38,139)**
	[1]	[1]				[1]
Deferred tax assets	22,351	—	7,102	—	870	30,323
Deferred tax liabilities	(1,087)	(66,761)	—	8,584	(454)	(59,718)
At 31 March 2020	21,264	(66,761)	7,102	8,584	416	(29,395)
Credited/(charged) to the income statement	(4,223)	1,123	8,395	871	(638)	5,528
Recognised in other comprehensive income / Consolidated Statement of Changes in Equity	76	1,678	—	—	(262)	1,492
Acquired in the year	—	—	—	—	—	—
At Disposed in the year	(516)	1,755	(1,467)	—	—	(228)
At 31 March 2021	16,601	(62,205)	14,030	9,455	(484)	(22,603)
Deferred tax assets	17,595	—	14,030	9,455	749	41,829
Deferred tax liabilities	(994)	(62,205)	—	—	(1,233)	(64,432)
At 31 March 2021	16,601	(62,205)	14,030	9,455	(484)	(22,603)

[1] These numbers have been restated, refer to note 1d for explanation.

The following table lists the Group's unrecognised gross temporary differences:

	31 March 2022	31 March 2021
	£'000	£'000
Tax losses	92,293	89,318
Interest paid	49,963	49,653
Interest restricted under corporate interest restriction (CIR) carried forward	129,002	103,695
	271,258	242,666

These potential deferred tax assets have not been recognised on the basis that it is not probable when taxable profits that can be utilised to absorb the reversal of the temporary difference will be made in the future.

19. Share capital

	31 March 2022	31 March 2021
	£	£
Authorised, issued, called up and fully paid		
171,889,147 Ordinary shares of £1.00 each	**171,889,147**	171,889,147
	171,889,147	171,889,147

20. Funding and financial risk management

Financial risk management
The Group holds and uses financial instruments to finance its operations and to manage its interest rate and liquidity risks. The Group primarily finances its operations using share capital, revenue and borrowings.

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Group is primarily funded by debt and although shareholder loans have increased during the year, the Group's operations are cash generative, and the general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis.

The Group does not engage in trading or speculative activities using derivative financial instruments.

The Directors view that the carrying amount of financial assets represents the maximum credit exposure.

Market risk
Market risk is the risk that changes in prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

Interest rate risk
Interest rate risk is the risk of a change in the Group's cash flows due to a change in interest rates. The Group has both fixed rate and floating rate borrowings. The ratio of fixed to floating rate borrowings is monitored on an ongoing basis to ensure that the Group is not too exposed to variability in interest rates.

Foreign exchange risk
Foreign exchange risk is the risk of a change in the Group's cash flows due to a change in foreign currency exchange rate. The vast majority of the Group's income and expenditure is in Pound Sterling therefore the Group is not exposed to significant foreign exchange risk.

In the year ended 31 March 2022 the Group earned 9% (2021: 9%) of its revenues from continuing operations and incurred 7% (2021: 8%) of its costs from continuing operations in EUR. The Group is therefore sensitive to movements in EUR against GBP. Each 10% movement in EUR to GBP exchange rates has a circa £5.9m (2021: £4.1m) impact on revenue and a circa £5.4m (2021: £0.9m) impact on retained profit. The impact on net assets from a 10% movement in EUR to GBP exchange rates at 31 March 2022 would be £17.6m (2021: £7.8m). Management have utilised 10% for sensitivity analysis based on the level of fluctuations seen during the current period.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Directors consider the Group's credit risk from cash, cash equivalents and deposits to be low as the Group only enters transactions with banks or financial institutions with a credit rating of A or above.

The Group has policies in place to manage potential credit risk from trade receivables. The Group mitigates the risk of payment default by its customers by the use of trade credit insurance for high value customers. Customer credit terms are determined using independent ratings agency data and regularly updated to reflect any changes in customer circumstances or trading conditions. Trade receivables are reviewed on a regular basis by the Group's credit control department to ensure debts are recovered in full.

The Directors do not expect any significant losses of receivables that have not been provided for.

20. Funding and financial risk management (continued)

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's finance department regularly monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs and bank covenant requirements.

Capital management
The Group relies on capital for organic growth. The Group defines capital as equity as shown in the Statement of Financial Position plus net debt (total borrowings less cash) and seeks to achieve an acceptable return on gross capital.

The Group manages its capital structure using a number of measures and taking into account its future strategic plans. Such measures include ensuring the Group maintains sufficient liquidity from the cash that the Group has generated from operations.

Book value

Financial assets comprise trade and other receivables and cash and cash equivalents. Financial liabilities comprise trade and other payables and borrowings.

The fair value of the borrowings are materially different to their book value, since the interest payable on these borrowings are not close to the current market rate and the borrowings are of a long-term nature. The fair value of the non-current borrowings are based on an average discount rate calculated from the credit spreads on comparable indices and comparable bonds. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The table below shows the book value and the fair value of these loans:

	31 March 2022 £'000 Book Value	31 March 2021 £'000 Book Value[1]	Fair value hierarchy	**31 March 2022 £'000** Fair Value	31 March 2021 £'000 Fair Value
Senior term loans	**346,779**	409,104	Level 3	**346,779**	409,104
Shareholder loan notes	**1,237,665**	1,139,935	Level 3	**1,277,822**	1,137,080
Loan from parent entity	**189,200**	175,331	Level 3	**152,319**	137,788
	1,773,644	1,724,370		**1,776,920**	1,683,972

[1] These numbers have been restated, refer to note 1d for explanation.

21. Non-controlling interests

	£'000
At 1 April 2021	837
Share of profit after taxation for the year	1,027
Dividends paid to non-controlling interests	(1,020)
At 31 March 2022	**844**

	£'000
At 1 April 2020	2,725
Share of profit after taxation for the year	1,924
Dividends paid to non-controlling interests	(1,955)
Disposals	(1,857)
At 31 March 2021	**837**

The disposal in the prior year reflects the de-recognition of NCI in relation to Audio HQ LLC (£1.9m), which is now wholly owned by DAX US Inc.

The subsidiaries that the Group have a non-controlling interest in are disclosed within note 3 of the Company Financial Statements.

22. Commitments and contingencies

The Group's future minimum lease payments under non-cancellable operating leases that fall are outside of the scope of IFRS 16 are set out below:

	31 March 2022 £'000	31 March 2021 £'000
Land and buildings		
Within one year	**71**	39
	71	39

	31 March 2022 £'000	31 March 2021 £'000
Vehicles and equipment		
Within one year	**—**	12
Between two and five years	**—**	—
	—	12

	31 March 2022 £'000	31 March 2021 £'000
Franchise fee commitments		
Within one year	**3,762**	2,110
Between two and five years	**—**	—
After five years	**—**	—
	3,762	2,110

The Group leases property, motor vehicles and office equipment and advertising sites. The Group's leases do not include any material contingent lease payments, purchase options, escalation clauses or restriction clauses.

23. Related party transactions

During the year the Group traded with its associates, joint ventures and with entities with common control to the Group. All transactions were in the normal course of business and priced under normal trade terms. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions only when such terms can be substantiated. All outstanding balances are repayable on demand. Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its associates are disclosed below.

The Company's immediate parent company is Global Radio Group Limited, a company incorporated in Jersey. Details of interest charged and loans outstanding with this entity are given in note 16.

During the year, the Company was charged £1,043,284 (2021: £1,346,167) in respect of digital radio services by CE Digital Limited, an associated undertaking of the Group, of which £nil was outstanding at 31 March 2022 (2021: £nil). The Company received £302,852 (2021: £291,650) in respect of legal expertise and engineering time from CE Digital Limited.

Digital Radio Group (London) Limited, an associated undertaking of the Group, operates a digital radio multiplex and during the year the Company paid £131,977 (2021: £118,951) to this company for transmission services. The Company had an outstanding balance owing of £nil at 31 March 2022 (2021: £nil).

Radio Centre Limited, in which the Group has an investment, is a trade body promoting commercial radio to advertisers. Radio Centre Limited is funded by levies paid by the commercial radio industry in the UK based on volumes of advertising revenue. During the year the Company paid £1,507,523 (2021: £1,738,019) in levies to Radio Centre Limited and had an outstanding balance of £nil at 31 March 2022 (2021: £nil).

Global Media Group Services Limited also provides contract accounting services for which it charged £42,803 for the year ended 31 March 2022 (2021: £42,170) to the Group's non-wholly owned subsidiary Independent Radio News Limited (IRN), a provider of news services to commercial radio. In addition, the Company's share of the IRN rebate to client stations for the year ended 31 March 2022 amounted to £3,354,430 (2021: £3,218,424). At the financial year end the net balance due to Independent Radio News Limited at 31 March 2022 was £1,490,442 (2021: £1,321,948).

During the year the Group had a number of recharge arrangements with various members of the Global Entertainment and Talent Group, with whom the Group shares a director. As at 31 March 2022 the outstanding debtor was £22,207 (2021: £373,562).

The Group considers the Directors to be key management personnel. Related party transactions with key management personnel have been disclosed in note 6, which includes a loss of office payment of £440,300 (2021: £255,880).

In the opinion of the Directors, there were no other related party transactions during the year.

24. Business combinations

During the year, the Group made several acquisitions across the media industry, further expanding its portfolio of digital advertising in the out-of-home sector as well as within other sectors such as podcasting.

Name	Date of acquisition	Country	% Ownership	Purchaser	Business Unit
Centercom B.V.	1 October 2021	Netherlands	100.0%	Global Media & Entertainment BV (Formerly known as Exterion Media (Netherlands) BV)	Outdoor
Captivate Audio Limited	17 December 2021	United Kingdom	100.0%	Global Radio Holdings Limited	Audio
Quidem Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Banbury Broadcasting Company Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Centre Broadcasting Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Quidem Midlands Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Rugby Broadcasting Company Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
SideIndex Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
The New 102 Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Touch Broadcasting Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Touch Warwick Limited	30 July 2021	United Kingdom	100.0%	Galaxy Radio Birmingham Limited	Audio
Remixd Media Inc.	1 October 2021	United States of America	100.0%	Dax US Inc.	Audio

Quidem Limited ("Quidem")

The Group acquired 100% of the ordinary share capital of Quidem Limited and its subsidiaries in July 2021. Quidem hold and operate a number of radio licenses in the United Kingdom.

Captivate Audio Limited ("Captivate")

The acquisition of Captivate Audio Limited was completed in December 2021 and is a UK based business operating a podcast hosting platform.

Remixd Media Inc ("Remixd").

The purchase of Remixd Media Inc. completed in October 2021. Remixd is a Company based in the United States of America which operates a text-to-speech service.

Centercom B.V. ("Centercom")

This acquisition was completed in October 2021 and operates out-of-home advertising in the Netherlands, adding to the Group's existing portfolio in the Country.

The fair valuation of the acquired assets and liabilities was finalised as at the 31 March 2022 and the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill is listed below.

24. Business combinations (continued)

	Centercom B.V.	Captivate Audio Limited	Quidem Limited	Remixd Media Inc.	Total
	£'000	£'000	£'000	£'000	£'000
Intangible assets	4,211	2,615	1,462	1,367	9,655
Property, plant and equipment	774	13	—	—	787
Trade and other receivables	602	12	170	40	824
Cash	—	326		168	494
Right of use assets	1,332	—	—	—	1,332
Trade and other payables	(860)	(550)	(1,250)	(831)	(3,491)
Lease liabilities	(1,332)	—	—	—	(1,332)
Deferred tax liability	(1,117)	(620)	(346)	(350)	(2,433)
Net assets acquired	3,610	1,796	36	394	5,836
Goodwill	1,117	3,313	346	6,608	11,384
Total consideration	4,727	5,109	382	7,002	17,220
Satisfied by:					
Cash	4,297	5,109	—	5,671	15,077
Deferred consideration	430	—	382	1,331	2,143
	4,727	5,109	382	7,002	17,220

Goodwill is calculated as the difference between the fair value of consideration and acquired assets and liabilities. None of the purchased goodwill is deductible for tax purposes.

Deal-related costs of £0.7m were charged to administration expenses in the Income Statement for the year ended 31 March 2022 and are not recognised within consideration.

From the acquisition date and during the year ended 31 March 2022 , the acquired entities contributed £2.1m to the Group's revenue and a loss of £0.1m.

It is not possible to disclose the consolidated revenue and profit that the acquired entities would have contributed if the acquisitions had occurred on 1 April 2021 due to the lack of reliable pre-acquisition financial information available.

25. Share-based payments

The Group operates cash-settled share-based payment arrangements as follows:

The Growth Shares Scheme ("the Scheme")

On 30 January 2015, a number of directors acquired C, D, E and F shares in GRHL, for which the directors paid unrestricted market value. Further on 1 August 2017 a number of directors and senior managers acquired G shares in GRHL, for which the directors and senior managers paid unrestricted market value.

On 8 February 2021 a number of directors and senior managers acquired R shares in GRHL, for which the directors and senior managers paid unrestricted market value. Further on 8 February 2021 a number of directors and senior managers acquired O shares in GOMHL, for which the directors and senior managers paid unrestricted market value.

The C, D, E, F, G, R and O shares are subject to a put and call option structure whereby the directors and senior managers may sell the shares to GMEL, or GMEL may acquire the shares from the directors for cash, within various

25. Share-based payments (continued)

60 day windows between 1 August 2017 and 30 September 2025. The value at which the shares can be bought or sold shall be determined by a formula based on the growth in value of the shares over a certain minimum threshold value. The shares provide the holder with an interest in the growth of the business beyond that threshold, which has been set at 20% above the original value in the case of the C,D,E and F shares and 17.5% in the case of the G, R and O shares.

The number of C, D, E and F shares issued in 2015, G shares issued in 2017 and R shares issued in 2020 outstanding at 31 March 2022 was 561,003 (31 March 2021: 559,181). The number of O shares outstanding at 31 March 2022 was 157,075 (2021: 157,825).

The EBITDA used to determine the value of the C, D E, F, G, R and O shares will be the actual or forecast EBITDA for the year ended closest to the date of disposal.

Share-based payment expense

The charge recognised in the Income Statement in respect of the Scheme was £11,307,000 (2021: £10,222,000).

Share-based payment liability

The Scheme requires the Group to pay the intrinsic value of these share-based payments to the employee at the date of exercise. The liability is re-valued at each reporting date and settlement date with any changes to fair value being recognised in the profit and loss account. The Group has recorded liabilities in respect of unvested grants of £27,181,000 (2021: £15,874,000).

26. Pension schemes

The Group operates three pension schemes on behalf of its employees in the UK. The group operates a number of defined contribution schemes including Global Radio Group Personal Pension Plan (“GRGPPP”).

All current employees are eligible to join the GRGPPP, which new employees are enrolled in automatically when they begin employment with the Group. At 31 March 2022, 1,532 (2021: 1,405) employees were active members of this scheme. The Group makes age-related employer contributions to the scheme. At 31 March 2022 there were 178 members (2021: 202) of the multiple Outdoor defined contribution schemes .

The Capital Radio plc Pension and Assurance Scheme (“CRPPAS”) and the Midlands Radio Group Pension Scheme (“MRGPS”) are contributory defined benefit schemes. Both defined benefit schemes were closed to new employees from 31 March 1995. At 31 March 2022, the MRGPS had 3 (2021: 4) active members and the CRPPAS had 4 (2021: 4) active members. The trustees of each scheme are responsible for the governance of the pension plan and the Group does not hold a direct interest in any of the scheme’s funds. The Group operates within the schedule of contributions set out by the Trustees and is not subject to any minimum funding requirements. No other entity is responsible for the governance of the plan beyond the board of trustees.

At the year end, the plan liabilities of the Group’s defined benefit schemes had a weighted average duration of 17 years .

The Group contributed £6,410,000 (2021: £6,124,000) to the schemes. This contribution included £2,255,000 (2021: £2,254,000) to defined benefit schemes and £4,155,000 (2021: £3,870,000) to defined contribution schemes.

Contributions amounting to £nil (2021: £nil) were payable to the schemes at the end of the financial year and are included in other creditors.

There were no plan amendments, curtailments or settlements during the year.

The actual return on the two defined benefit pension schemes assets over the period from 1 April 2020 to 31 March 2022 was a gain of £834,000 for MRGPS and loss of £101,000 for CRPPAS (loss for the period from 1 April 2020 to 31 March 2021 was £4,212,000 and £2,166,000 respectively). Each asset class has a quoted market price in an active market, as defined in IFRS 13.

The expected long-term rate of return on assets assumption is assessed by considering the current level of returns on risk-free investments (primarily government bonds) and the expectations for the risk premium of each

26. Pension schemes (continued)

asset class. The expected return for each asset class is then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The amounts recognised in the consolidated Statement of Financial Position are as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Present value of funded obligations	**(44,897)**	(52,482)
Fair value of scheme assets	**59,532**	58,965
Surplus in scheme	**14,635**	6,483
Midlands	**7,499**	2,666
Capital	**7,136**	3,817
Total surplus	**14,635**	6,483

The amounts recognised in the consolidated Income Statement are as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Current service cost	**(243)**	(211)
Past service cost	**—**	(30)
Interest on obligation	**(877)**	(949)
Expected return on scheme assets	**1,027**	1,040
Total	**(93)**	(150)
Actual return on scheme assets	**733**	6,378

26. Pension schemes (continued)

Movements in the present value of the defined benefit obligation were as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Opening defined benefit obligation	**52,482**	41,292
Insured liabilities	**(1,163)**	8,102
Current service cost	**243**	211
Past service cost	**—**	30
Interest cost	**877**	949
Contributions by scheme participants	**18**	20
Actuarial (gains) / losses	**(6,420)**	3,698
Benefits paid	**(1,140)**	(1,820)
Closing defined benefit obligation	**44,897**	52,482

Changes in the fair value of scheme assets were as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Opening fair value of scheme assets	**58,965**	44,086
Insured assets	**(1,163)**	8,102
Expected return on assets	**1,027**	1,040
Actuarial gains / (losses)	**(294)**	5,338
Contributions by employer	**2,255**	2,254
Contributions by scheme participants	**18**	20
Benefits paid	**(1,140)**	(1,820)
Expenses paid by scheme	**(136)**	(55)
Closing fair value of scheme assets	**59,532**	58,965

The total amount recognised in the Group Statement of Comprehensive Income in respect of actuarial losses on assets is £(294,000) (2021: gain of £5,338,000) and the amount recognised for actuarial gains on liabilities is £6,420,000 (2021: loss of 3,698,000).

The two schemes are fully funded by the Group and the scheme members who contribute a percentage of salary. The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

The Group expects to pay deficit reduction contributions of £286,000 to its defined benefit pension schemes in 2023 (2022: £261,000).

26. Pension schemes (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	31 March 2022 £'000	31 March 2021 £'000
Equities (quoted)	**10,412**	9,175
Bonds (quoted)	**12,222**	13,179
Diversified growth funds (quoted)	**25,902**	24,748
Gilts (quoted)	**3,649**	3,485
Cash	**408**	277
Insured assets	**6,939**	8,102
	59,532	58,965

	31 March 2022	31 March 2021
Equities (quoted)	**17.49%**	15.56%
Bonds (quoted)	**20.53%**	22.35%
Diversified growth funds (quoted)	**43.51%**	41.97%
Gilts (quoted)	**6.13%**	5.91%
Cash	**0.68%**	0.47%
Insured assets	**11.66%**	13.74%

Principal actuarial assumptions at the reporting dates were (expressed as weighted averages):

	31 March 2022	31 March 2021
Discount rate	**2.75%**	2.00%
Future salary increases	**3.80%**	3.30%
Future pension increases	**3.77%**	3.55%
Inflation assumption	**3.80%**	3.30%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	31 March 2022 Number	31 March 2021 Number
Retiring today		
Males	**22.1**	22.1
Females	**24.5**	24.1
Retiring in 20 years		
Males	**23.4**	23.6
Females	**25.9**	25.6

26. Pension schemes (continued)

Amounts for the current and previous years are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	**(44,897)**	(52,482)	(41,292)	(42,960)	(40,752)
Scheme assets	**59,532**	58,965	44,086	44,586	41,841
	14,635	6,483	2,794	1,626	1,089
Experience adjustments on scheme liabilities	**6,420**	(3,698)	1,942	(1,769)	407
Experience adjustments on scheme assets	**(294)**	5,338	(2,764)	404	(614)

Under IAS 19 both schemes show a surplus. In accordance with IAS 19, the Group has recognised an asset on the Statement of Financial Position in relation to the surplus in the schemes because the Group has an unconditional right to realise the surplus during the plan or when the plan is settled. The directors consider that the surplus shown under IAS 19 accounting is a recoverable one. The schemes ambitions are to move towards a buyout position and under a buyout valuation methodology the schemes remain in deficit.

The value of the annuity policies as at 31 March 2022 under IAS 19 is shown below, alongside the corresponding value as at 31 March 2021. The asset and liability amounts in respect of the annuities are the same, so there is no surplus or deficit to be disclosed.

Annuity valuation	**31 March 2022**	31 March 2021
	£'000	£'000
Valuation of annuity policies for purposes of IAS19 disclosures	**6,939**	8,102

The valuation of the annuity policies has reduced over the year, which reflects the pension benefits paid over the period and changes in the assumptions used to value these policies (primarily the increase in the discount rate).

The Group is exposed to a number of risks relating to the defined benefit schemes (the “schemes”) including assumptions not being borne out in practice. The most significant risks are as follows:

Asset volatility
There is a risk that a fall in asset values is not matched by corresponding reduction in the value placed on the schemes. The schemes hold a proportion of growth assets, which are expected to outperform corporate or government bond yields in the long term but gives exposure to volatility and risk in the short term.

Change in bond yields
A decrease in corporate bond yields will increase the value placed on the scheme's liabilities, although this will be partially offset by an increase in the value of the scheme's corporate bond holdings.

Inflation risk
The majority of the scheme's liabilities are linked to inflation where higher inflation will lead to higher scheme liabilities. Some of the scheme assets are either unaffected by inflation or loosely correlated with inflation (e.g. growth assets), meaning that an increase in inflation will generally increase scheme liabilities.

Life expectancy
An increase in life expectancy will lead to an increased value being placed on the scheme's liabilities. Future mortality rates cannot be predicted with certainty.

26. Pension schemes (continued)

Actuarial assumption sensitivity
The discount rate is set by reference to market conditions at the reporting date, and can vary significantly between periods. The earnings increases are linked to inflation and so set by reference to market conditions at the reporting date. The mortality assumptions used are set by considering the experience of the scheme's members, and by making an allowance for possible future improvements in longevity. Mortality assumptions are difficult to set accurately, and forecasting rates of future mortality improvement is inevitably speculative.

The discount rate, earnings increases and inflation rates are set by reference to market conditions at the reporting date, and can vary significantly between periods.

A decrease in the discount rate by 0.1% will increase the scheme's liabilities by £848,000 (2021: increase of £765,000).

An increase in inflation and salary growth assumptions by 0.1% will increase the scheme's liabilities by £218,000 (2021: increase of £259,000).

27. IFRS 16 Leases (Group as a lessee)

Right-of-use assets	Property	Fleet	Franchise contracts	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2021	55,556	2,420	379,278	437,254
Additions	867	1,148	44,880	46,895
Modifications	934	10	15,082	16,026
Effects of movement in exchange rates	(32)	(18)	(441)	(491)
Acquisitions	—	—	1,332	1,332
Disposals	(4,186)	(699)	(14,670)	(19,555)
As at 31 March 2022	**53,139**	**2,861**	**425,461**	**481,461**
Accumulated depreciation and impairment				
At 1 April 2021	12,205	1,200	88,302	101,707
Charge for the year	6,856	1,048	49,911	57,815
Effects of movement in exchange rates	(12)	(10)	(514)	(536)
Disposals	(4,167)	(671)	(14,059)	(18,897)
As at 31 March 2022	**14,882**	**1,567**	**123,640**	**140,089**
Carrying Amount				
At 31 March 2022	**38,257**	**1,294**	**301,821**	**341,372**

27. IFRS 16 Leases (Group as a lessee) (continued)

Right-of-use assets	Property	Fleet	Franchise contracts	Total
	£'000	£'000	£'000 [1]	£'000 [1]
Cost				
At 1 April 2020	56,747	4,262	396,988	457,997
Additions	1,307	776	68,364	70,447
Modifications	1,952	5	(15,088)	(13,131)
Effects of movement in exchange rates	(229)	(90)	(2,788)	(3,107)
Disposals	(4,221)	(2,533)	(68,198)	(74,952)
Impairment	—	—	—	—
As at 31 March 2021	**55,556**	**2,420**	**379,278**	**437,254**
Accumulated depreciation and impairment				
At 1 April 2020	7,441	1,773	59,829	69,043
Charge for the year	6,325	1,371	50,818	58,514
Effects of movement in exchange rates	(79)	(44)	(1,099)	(1,222)
Disposals	(1,482)	(1,900)	(21,246)	(24,628)
As at 31 March 2021	**12,205**	**1,200**	**88,302**	**101,707**
Carrying Amount				
At 31 March 2021	**43,351**	**1,220**	**290,976**	**335,547**

[1] These numbers have been restated, refer to note 1d for explanation.

Depreciation charged in relation to the discontinued operations in the year was £nil (2021: £10.5m) as disclosed within note 29.

The Group leases several assets including properties, motor vehicles and franchise contracts. The average lease term is 16 years (2021: 16 years).

Amounts recognised in profit and loss:

	Year ended 31 March 2022	**Year ended 31 March 2021**
	£'000	£'000 [1]
Depreciation expense of right-of-use assets	57,815	58,514
Interest expense on lease liabilities	22,285	24,644
Expense relating to short term leases	8,715	8,357
Expense relation to variable lease payment	91,378	28,136

[1] These numbers have been restated, refer to note 1d for explanation.

The total cash outflow for leases amounted to £70.2m (2021: £74.5m).

27. IFRS 16 Leases (Group as a lessee) (continued)

Lease liabilities	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000 [1]
Maturity Analysis		
Year 1	87,282	79,025
Year 2	65,619	71,950
Year 3	55,312	48,747
Year 4	38,574	40,545
Year 5	34,199	34,274
Onwards	278,882	278,924
	559,868	553,465

[1] These numbers have been restated, refer to note 1d for explanation.

	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000 [1]
Analysed as:		
Non-current	310,601	307,341
Current	67,834	55,421
	378,435	362,762

[1] These numbers have been restated, refer to note 1d for explanation.

The Group's main leases are those of franchise contracts, which relate to the Outdoor segment of the business. These are leased from landlords, and in turn we utilise the space to run campaigns for the Group's customers. These leases will span a large period in range, from a single year to 40 years, and can be made up of fixed and variable payments. Where contracts have an extension option, and we are certain this will be taken, we have included this within our assessment of the lease.

28. Disposals

There have been no disposals in the year. In the prior period the Group disposed of the France Outdoor operations. The performance of this business is disclosed in the prior period comparative as discontinuing operations with further detail disclosed in note 29 of the consolidated financial statements.

In the prior period there was a loss on disposal of £9,906k with the contribution from the disposed operations in the period contributing £8,385k pre-tax loss to the Group operations in the year. The tax charge in the prior period in relation to the discontinued operations was £228k resulting in a £8,613k post tax loss contribution.

29. Discontinued operations

In the prior period the Group disposed of the France Outdoor division which was disclosed as discontinued operations for the year ended 31 March 2021. The performance in the prior period is disclosed below. There were no discontinued operations in the year ended 31 March 2022.

	Year ended 31 March 2021
	£'000
Revenue	40,193
Operating costs	(17,785)
Gross profit	**22,408**
Administrative expenses	(29,067)
Operating loss	**(6,659)**
Finance income	—
Finance expense	(1,726)
Net finance costs	**(1,726)**
Share of profit of equity-accounted investees, net of tax	—
Loss before taxation	**(8,385)**
Income tax expense	(228)
Loss for the year	**(8,613)**

30. Events after the Balance Sheet date

On 25th July 2022 the Group issued 33,750,000 new ordinary shares at £1.0 per share. The share issue was to enable the Group to return the external banking arrangements to their pre-Covid status by repaying the waived loan repayments up front rather than over the remaining term of the debt.

31. Immediate and ultimate parent company

In the opinion of the Directors the Company's immediate and ultimate controlling company is Global Radio Group Limited, a company incorporated in Jersey.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Media & Entertainment Limited a privately owned Company.

32. Guarantees, financial commitments and contingent liabilities

Guarantees
The Company will guarantee the debts and liabilities of certain of its UK subsidiaries at the reporting date in accordance with section 479A of the Companies Act 2006. The Company has assessed the probability of loss under these guarantees as remote.

Security
The assets of the Group are pledged to their bankers as security against loans by way of a floating charge over the assets.

VAT Group
The Company is a member of a group for VAT for group purposes, resulting in a joint and several liability for amounts owing by other Group companies for unpaid VAT.

Financial commitments
The Group has entered into agreements with transmission supply companies and digital multiplex operators for the transmission of its radio stations for periods up to 2033 at competitive prices and to ensure supply. At the year end the commitments to purchase space on transmitters was £94m (2021: £98m).

	31 March 2022 £'000	31 March 2021 £'000
Transmission commitments		
Within one year	**684**	*784*
Between two and five years	**47,453**	*58,882*
After five years	**45,860**	*38,266*
	93,997	*97,932*

33. Financing Activities

The movements in Group liabilities in the year as a result of financing activities are set out within the below reconciliation:

	Total borrowings	Lease liabilities	Total liabilities from financing activities
	£'000	£'000	£'000
1 April 2021 [1]	1,748,468	362,762	2,111,230
Cashflows	(63,810)	(70,171)	(133,981)
Accrued Interest	101,691	22,285	123,976
Debt issuance costs	1,485	—	1,485
Unwind of discounting	13,869	—	13,869
Acquisitions	—	1,332	1,332
Additions	—	47,404	47,404
Foreign exchange	—	(241)	(241)
Disposals	—	(705)	(705)
Modifications	—	15,769	15,769
Year ended 31 March 2022	**1,801,703**	**378,435**	**2,180,138**

[1] These numbers have been restated, refer to Note 1 (d) for explanation

	Total borrowings	Lease liabilities	Total liabilities from financing activities
	[1] £'000	[1] £'000	[1] £'000
1 April 2020	1,634,549	405,331	2,039,880
Cashflows	—	(75,007)	(75,007)
Accrued Interest	98,513	21,923	120,436
Debt issuance costs	1,483	—	1,483
Unwind of discounting	12,786	—	12,786
Additions	1,133	57,262	58,395
Foreign exchange	—	(403)	(403)
Disposals	—	(45,378)	(45,378)
Modifications	—	(1,073)	(1,073)
Other movements	4	107	111
Year ended 31 March 2021	**1,748,468**	**362,762**	**2,111,230**

[1] These numbers have been restated, refer to Note 1 (d) for explanation

Global Media & Entertainment Limited
Company Statement of Financial Position
At 31 March 2022 Company number 06251684

	Note	**31 March 2022 £'000**	31 March 2021[1] £'000	1 April 2020[1] £'000
Fixed assets				
Investments	3	**1,257,583**	1,257,583	499,507
		1,257,583	1,257,583	499,507
Current assets				
Deferred tax assets		**495**	545	682
Trade and other receivables	4	**—**	45,941	793,522
Cash		**21**	28	15
		516	46,514	794,219
Creditors: amounts falling due within one year	5	**(193,446)**	(163,417)	(145,651)
Net current liabilities		**(192,930)**	(116,903)	648,568
Total assets less current liabilities		**1,064,653**	1,140,680	1,148,075
Creditors: amounts falling due after more than one year	6	**(1,705,597)**	(1,659,976)	(1,565,663)
Net liabilities		**(640,944)**	(519,296)	(417,588)
Equity				
Called up share capital	7	**171,889**	171,889	171,889
Accumulated losses		**(812,833)**	(691,185)	(589,477)
		(640,944)	(519,296)	(417,588)

[1] This period has been restated. Please see note 1d in the Company accounts for details.

The Company's loss for the year was £121,648k (2021, restated: loss of £101,708k).

The notes on pages 82 to 94 form part of these financial statements.

The financial statements on pages 80 to 94 were approved by the Board of Directors on 25 November 2022 and signed on its behalf by

D. Singer

D.D. Singer
Director
25 November 2022

Company Statement of Changes in Equity
For the year ended 31 March 2022

	Called up share capital £'000	Accumulated losses £'000 [1]	Total equity £'000 [1]
At 1 April 2021, restated	171,889	(691,185)	(519,296)
Loss for the year	—	(121,648)	(121,648)
At 31 March 2022	171,889	(812,833)	(640,944)

	Called up share capital £'000	Accumulated losses £'000 [1]	Total equity £'000 [1]
At 1 April 2020, as previously reported	**171,889**	**(604,607)**	**(432,718)**
Prior year adjustments - note 1d)		15,130	15,130
At 1 April 2020, restated	**171,889**	**(589,477)**	**(417,588)**
Loss for the year, restated	—	(101,708)	(101,708)
At 31 March 2021, restated	**171,889**	**(691,185)**	**(519,296)**

[1] This period has been restated. Please see note 1d for details.

The notes on pages 82 to 94 form part of these financial statements.

1. Accounting policies for the Company Financial Statements

a) Reporting entity

Global Media & Entertainment Limited (the "Company") is an incorporated private company limited by shares and domiciled in the United Kingdom. Its registered address is 30 Leicester Square, London, WC2H 7LA.

The Company's principal activity was the operation of commercial radio stations in the United Kingdom and the sale of advertising across its network.

The Company Financial Statements were approved by the board of Directors on 25 November 2022.

b) Statement of compliance

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

As permitted by Section 408(2) of the Companies Act 2006 information about the Company's employee numbers and costs have not been presented.

As permitted by Section 408(3) of the Companies Act 2006, the Company's Profit and Loss Account and Statement of Other Comprehensive Income and related notes have not been presented as the Company's consolidated financial statements have been prepared in accordance with the Companies Act 2006.

c) Functional and presentational currency

These financial statements are presented in pound sterling (£), which is the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

d) Basis of preparation

The financial statements have been prepared on a historical cost basis, and are in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by IFRS;
- certain disclosures regarding the company's capital;
- a Statement of Cash Flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly-owned members of the group headed by Global Media & Entertainment Limited.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Global Media & Entertainment Limited.
These financial statements do not include certain disclosures in respect of:

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

Comparative information
The comparative financial information has been restated to reflect certain adjustments as detailed below:

i) Loans

1. Accounting policies for the Company Financial Statements (continued)

d) Basis of preparation (continued)

Following a review of our contracts, we have revised our determination that the Shareholder loans had embedded derivatives within them. Under IFRS 9, these contracts should be accounted for under amortised cost rather than FVTPL which aligns with the treatment of our external debt. As such we have restated these loans to reflect amortised cost at inception of the modification of these loans in 2018.

In addition, within Note 5, amounts falling due within one year, deferred tax was recognised on the previous fair value movements through profit and loss, these have been subsequently reversed and the tax adjusted to reflect the removal of fair value adjustments.

ii) Intercompany

Intercompany loan - error in the recognition of the receivables and payables

i) During the year, the company identified that the intercompany balances between Global Media and Entertainment Limited and Global Radio Acquisitions Limited were incorrectly recognised, as part of the Group restructure in 2019. The balances have been restated to reflect the correct position with amounts due from subsidiaries. This would leave a £74,782k payable from Global Media and Entertainment Limited to Global Radio Acquisitions Limited.

Intercompany loan - reversal of previous year's impairment

ii) During the year, the company also identified that the intercompany balances had not been adjusted as part of the restructure to reverse a historical impairment loss on a loan between the Company and Global Radio Acquisitions Limited for £71,797k. The comparative numbers have been restated to reflect this reversal of the impairment loss, as the nominal was paid in full. This has also subsequently impacted the position of the Company's receivables and payables with group undertakings, resulting in movements between the two categories.

Company	**31 March 2021 £'000** Reported	**31 March 2021 £'000** Adjustment Loans	**31 March 2021 £'000** Adjustment Intercompany	**31 March 2021 £'000** Restated
Restatement adjustments				
Statement of Financial Position				
Deferred tax assets	—	545		545
Trade and other receivables	367,313		(321,372)	45,941
Creditors: amounts falling due within one year	(569,195)	12,609	393,169	(163,417)
Creditors: amounts falling due after more than one year	(1,619,578)	(40,398)		(1,659,976)
Accumulated Losses	735,738	27,244	(71,797)	691,185

Company	**1 April 2020 £'000** Reported	**1 April 2020 £'000** Adjustment Loans	**1 April 2020 £'000** Adjustment Intercompany	**1 April 2020** £'000 Restated
Restatement adjustments				
Statement of Financial Position				
Deferred tax assets	—	682		682
Trade and other receivables	822,742		(29,220)	793,522
Creditors: amounts falling due within one year	(269,040)	22,372	101,017	(145,651)
Creditors: amounts falling due after more than one year	(1,485,942)	(79,721)		(1,565,663)
Accumulated Losses	604,607	56,667	(71,797)	589,477

1. Accounting policies for the Company Financial Statements (continued)

e) Investments

Investments are included in the Balance Sheet at cost less amounts written-off, representing impairment in value, which has been recorded at fair value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Going concern

At the date of these financial statements, the Directors have carried out a detailed and comprehensive review of the business and its future prospects. In particular they have compared the forecast future performance of the Company up until March 2025 and anticipated cash flows with the available working capital facilities and covenants contained in the banking arrangements that form part of the Company's current financing structure and, in the light of current economic conditions, have considered the ability of the Group to meet its obligations as they fall due.

The directors also applied a downside of scenario to the going concern forecast by decreasing revenue by 5% and not that this does not cause the Group to breach our covenants or be unable to fulfil our debts as they fall due.

Whilst the Company is in Net Liability position at year end, the Directors have considered the overall performance of the Group as this funds the company's external payments. Furthermore they have considered the cash position of the Group as at the date of signing. Therefore, we consider that the Company has been able to repay the current liabilities as stated as at the balance sheet reporting date as they fell due.

In the opinion of the Directors, the Company is expected to be able to continue trading within the current arrangements and consequently the financial statements are presented on a going concern basis.

g) Accounting policies for the Company Financial Statements

The Company's accounting policies are the same as the Group's accounting policies, as detailed in note 1 to the consolidated financial statements, for the following

Company FRS 101 accounting policy	**Group IFRS accounting policy**	**Note**
New accounting standards	New accounting standards	1i
Critical accounting estimates and judgments	Critical accounting estimates and judgments	1j
Debtors	Trade and other receivables	1w
Cash	Cash	1r
Share capital	Share capital	1s
Creditors	Trade and other payables	1t
Interest receivable and similar income	Finance income and expense	1v
Interest payable and similar expense	Finance income and expense	1v
Financial instruments	Financial instruments	1w
Current and deferred tax	Current and deferred tax	1x
Revenue recognition	Revenue recognition	1ab
Fair value measurement	Fair value measurement	1ac

h) Key areas of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not clear from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The following are the key estimations that the Directors have made in the process of applying the Company's accounting policies and that have the most significant impact on the amounts recognised in financial statements.

1. Accounting policies for the Company Financial Statements (continued)

h) Key areas of estimation uncertainty (continued)

Impairment of investments

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value amount may not be recoverable. Goodwill is reviewed for impairment on an annual basis at the reporting date. When an impairment assessment is conducted the recoverable amount is determined as the higher of fair value less costs to sell or value in use of the assets. The value in use method requires the Company to determine appropriate assumptions (which are sources of estimation uncertainty) in relation to the cash flow projections over a three-year period, the long-term growth rate has been applied beyond the three-year period.
The assumption that cash flows continue into perpetuity is a source of significant estimation uncertainty. A future change to the assumption of trading into perpetuity for any investment would result in a reassessment of useful economic lives and residual value and could give rise to a significant impairment of investments, particularly where the carrying value exceeds fair value less costs to sell.

Determination of discount rate – impact on impairment assessments

The Company uses its weighted average cost of capital to discount expected future cash flows across its operating segments. The value in use of the Outdoor CGU, and therefore the headroom above carrying value, is sensitive to changes in this discount rate.

2. Directors

Information on the Company's Directors is provided in note 6 to the consolidated financial statements.

3. Investments

	Investments in subsidiary companies £'000
At 1 April 2021	1,257,583
At 31 March 2022	**1,257,583**

	£'000
At 1 April 2020	499,507
Additions	761,287
Impairment	(3,211)
At 31 March 2021	**1,257,583**

3. Investments (continued)

The Company's subsidiaries, including subsidiaries held by indirect holding companies, are:

Name	Country	% ordinary share capital ownership	Registration number
Arrow Digital Limited	United Kingdom	100	04004082
Atlantic Broadcasting Limited*	United Kingdom	100	04992498
Audio HQ LLC	United States of	100	N/A
Banbury Broadcasting Limited*	United Kingdom	100	06778731
Beat FM Limited	United Kingdom	100	02661902
Bell Bidco Limited*	United Kingdom	100	06309648
Bell Intermediate Limited*	United Kingdom	100	06309642
Buzz FM Limited	United Kingdom	100	03323396
Cambridge and Newmarket FM Radio Limited	United Kingdom	100	02301114
Capital (CDWM) Limited	United Kingdom	100	04090926
Capital Gold Hampshire Limited	United Kingdom	100	04767945
Capital Gold Manchester Limited*	United Kingdom	100	04364461
Capital Gold Sussex Limited	United Kingdom	100	04767993
Capital Interactive Limited	United Kingdom	100	03628324
Capital Online Limited	United Kingdom	100	02343305
Capital Radio (London) Limited	United Kingdom	100	02134734
Capital Radio Investments Limited*	United Kingdom	100	00988448
Capital Radio Limited	United Kingdom	100	03911005
Capital Radio Restaurants Group Limited	United Kingdom	100	01311073
Capital Radio Restaurants Limited	United Kingdom	100	01650740
Capital Radio Telstar Entertainment Direct Limited	United Kingdom	50	03587404
Capital Radio Trustee Limited	United Kingdom	100	03632977
Capital Television Limited	United Kingdom	100	02928488
Capital Xtra Limited*	United Kingdom	100	02421343
Captivate Audio Limited*	United Kingdom	100	11840222
Castleform Limited	United Kingdom	100	04023527
Central European Broadcasting Limited	United Kingdom	100	02726679
Centre Broadcasting Limited*	United Kingdom	100	2425724
Centercom B.V.*	Netherlands	100	N/A
Champion FM Limited	United Kingdom	100	03260165
Cheerdale Limited	United Kingdom	100	02598996
Chill Radio Limited*	United Kingdom	100	03793939
Chiltern Radio Limited*	United Kingdom	100	01472241
Choice FM London Limited	United Kingdom	100	02983969
Choice FM North London Limited	United Kingdom	100	03184284
Classic FM Limited*	United Kingdom	100	02622707
Continental Angel Limited	United Kingdom	100	06480360
Core Digital Radio Limited	United Kingdom	100	03546920
Cotswold Broadcasting Company Limited	United Kingdom	100	02525641
DAX Digital Audio Exchange Inc.	Canada	100	N/A
DAX US Inc.	United States of	100	N/A
Deansgate 1001 Limited	United Kingdom	100	04128828
Deltrack Limited*	United Kingdom	100	03285808
Devonair Radio Limited	United Kingdom	100	01417361
Digital Audio Exchange Limited*	United Kingdom	100	10820862
Digital News Network Limited	United Kingdom	100	04130784
Doubleplay I Limited*	United Kingdom	100	08604738
Doubleplay II Limited*	United Kingdom	100	08604810
Doubleplay III Limited*	United Kingdom	100	08604817

Name	Country	% ordinary share capital ownership	Registration number
DQ Radio Services Limited*	United Kingdom	100	06873466
East Anglian Radio Limited	United Kingdom	100	01768405
Ecast Ventures Limited	United Kingdom	100	03925414
Essex Radio Limited*	United Kingdom	100	00670633
Expressway Limited	United Kingdom	100	02372642
Exterion Group Holdings Limited	Cayman Islands	100	N/A
Exterion Holdings (BVI) Limited	British Virgin Islands	100	N/A
Exterion Holdings (UK) Limited*	United Kingdom	100	06350231
Exterion Holdings I (Netherlands) B.V.	Netherlands	100	N/A
Exterion Holdings II (Netherlands) B.V.	Netherlands	100	N/A
Exterion Leasing (BDA) Limited	Bermuda	100	N/A
Exterion Leasing (UK) Limited*	United Kingdom	100	06423332
Exterion Limited*	United Kingdom	100	10400127
Exterion Media (Ireland) Limited	Ireland	100	N/A
Exterion Media (Netherlands) B.V.	Netherlands	100	N/A
Exterion Media (UK) Limited (formerly Global Outdoor Media Limited)	United Kingdom	100	02480440
Exterion Media Holdings Limited*	United Kingdom	100	09546482
Exterion Media Spain S.A.U	Spain	100	N/A
Exterion Partner (BDA) GP	Bermuda	100	N/A
Falcon Outdoor (North) Limited*	United Kingdom	100	04656512
First Oxfordshire Radio Company Limited*	United Kingdom	100	02247588
G.M. Radio News (UK) Limited	United Kingdom	99	01417147
Galaxy Radio Birmingham Limited*	United Kingdom	100	03652313
Galaxy Radio Limited	United Kingdom	100	02997500
Galaxy Radio Manchester Limited*	United Kingdom	100	02848034
Galaxy Radio North East Limited*	United Kingdom	100	03139918
Galaxy Radio Yorkshire Limited*	United Kingdom	100	03052392
GCap Media (CRUD) Limited	United Kingdom	100	04406408
GCap Media (FPRL) Limited	United Kingdom	100	03546500
GCap Media (The Jazz) Limited	United Kingdom	100	03909859
GCap Media Limited	United Kingdom	100	03140291
Gemini Radio Limited*	United Kingdom	100	02864089
Global Land Limited (formerly Scott Place 1004 Limited)	United Kingdom	100	04128788
Global Live Limited*	United Kingdom	100	08908964
Global Media Group Services Limited (previously known as Global Radio Services Limited)	United Kingdom	100	03296557
Global Media Ventures Limited**	United Kingdom	100	08124421
Global Music Television Limited* **	United Kingdom	100	07103948
Global Newco One Limited*	United Kingdom	100	12002350
Global Newco Two Limited*	United Kingdom	100	12000875
Global Outdoor Media Holdings Limited* **	United Kingdom	100	06309636
Global Outdoor Media Limited (formerly Exterion Media (UK) Limited)	United Kingdom	100	02866133
Global Radio (AM) Limited*	United Kingdom	100	03074908

Name	Country	% ordinary share capital ownership	Registration number
Global Radio Acquisitions Limited* **	United Kingdom	100	06417314
Global Radio Digital Limited	United Kingdom	100	03588779
Global Radio Hampshire Limited*	United Kingdom	100	01586580
Global Radio Holdings Limited* **	United Kingdom	100	04077052
Global Radio Limited*	United Kingdom	100	00923454
Global Radio London Limited*	United Kingdom	100	02826601
Global Radio Media Management Limited*	United Kingdom	100	02318655
Global Radio Midlands Limited*	United Kingdom	100	02828239
Global Radio Northwest Limited*	United Kingdom	100	05416681
Global Radio Publishing Limited*	United Kingdom	100	03546507
Global Radio Services Limited (previously known as Global Media Group Services Limited)	United Kingdom	100	02049463
Global Radio UK Limited **	United Kingdom	100	06288359
GM&E GmbH	Germany	100	N/A
GMG Radio Limited	United Kingdom	100	04184678
GWR (Local Area) Limited	United Kingdom	100	03427545
GWR (Trustee Company) Limited	United Kingdom	100	03110813
GWR (West) Limited*	United Kingdom	100	01458936
GWR East Holdings Limited*	United Kingdom	100	03960678
GWR Group Limited*	United Kingdom	100	00715143
GWR Hungary (Investments) Limited	United Kingdom	100	04404538
GWR International Investments Limited	United Kingdom	100	04168494
GWR International Limited	United Kingdom	100	02915500
GWR Radio (South East) Limited*	United Kingdom	100	03825017
GWR Radio Limited	United Kingdom	100	01027407
Harlow FM Limited	United Kingdom	81	02757939
Healthbuild Limited	United Kingdom	100	02555579
Heart 106 FM Limited	United Kingdom	100	05185951
Heart Radio Limited	United Kingdom	100	04140186
Heart TV Limited	United Kingdom	100	03499203
Hereward Radio Limited	United Kingdom	100	02301358
Hit 40 UK Limited	United Kingdom	100	04466658
Hopstar Limited*	United Kingdom	100	04341970
Independent Radio News Limited	United Kingdom	55	01112963
Investors in Radio Limited	United Kingdom	100	02979090
Invicta Concerts and Promotions Limited	United Kingdom	100	01681332
Jams of London Limited	United Kingdom	100	02058068
Juice Holdco Limited*	United Kingdom	100	09514551
Lancashire Broadcasting Company Limited*	United Kingdom	100	04130072
Lantern Radio Limited	United Kingdom	99	02702198
LBC 1152 Limited	United Kingdom	100	03210292
LBC Radio Limited*	United Kingdom	100	03143623
Leicester Sound Limited*	United Kingdom	100	01433194
Lite Spaces Limited*	United Kingdom	100	05974000

Name	Country	% ordinary share capital ownership	Registration number
Livetime Limited	United Kingdom	100	03546495
Marcher Radio Group Limited*	United Kingdom	100	01606318
Maxx Outdoor Limited*	United Kingdom	100	05735642
Mid Anglia Radio Limited*	United Kingdom	100	01391895
Mwah Mwah Limited	United Kingdom	100	02923987
My Kinda Bath Limited	United Kingdom	100	01496573
My Kinda Shacks Limited	United Kingdom	100	01489508
My Kinda Square Limited	United Kingdom	100	01502034
Neal Street Blues Limited	United Kingdom	100	02421532
Ocean FM Limited	United Kingdom	100	02367458
Official Big Top 40 Limited (previously known as Capital Gold Kent Limited)	United Kingdom	100	04767887
Orchard FM Limited*	United Kingdom	100	03224505
Orchard Media Limited	United Kingdom	100	02333640
Outdoor Plus Limited*	United Kingdom	100	04823380
Oval (709) Limited	United Kingdom	99	00666567
Plymouth Sound Limited*	United Kingdom	100	02595043
Pop Buzz Limited*	United Kingdom	100	09619068
Power FM Limited	United Kingdom	100	02397279
Prestfold Limited	United Kingdom	100	08787434
Primesight Airport Advertising Limited	United Kingdom	100	01950228
Primesight Airports Limited	United Kingdom	100	09679775
Primesight Billboards Limited*	United Kingdom	100	06925872
Primesight Communications Limited	United Kingdom	100	03085817
Primesight Intermediate Holdco Limited*	United Kingdom	100	11192271
Primesight Limited	United Kingdom	100	01847728
Prock Licence (NTLRSL) Limited	United Kingdom	100	03823436
Project Iconic Bidco Limited*	United Kingdom	100	10303941
Project Iconic Holdings Limited*	United Kingdom	100	10303993
Project Iconic Midco Limited*	United Kingdom	100	10303998
Quidem Limited*	United Kingdom	100	6928312
Quidem Midlands Limited*	United Kingdom	100	6928928
Radio Broadland Limited*	United Kingdom	100	01620771
Radio Invicta Limited*	United Kingdom	100	01475448
Radio Mercury Limited*	United Kingdom	100	01717321
Radio Orwell Limited	United Kingdom	100	01003334
Radio South Limited*	United Kingdom	100	01955992
Radio Trent Limited*	United Kingdom	100	00728182
Ram FM Limited	United Kingdom	100	02913953
Real and Smooth Limited*	United Kingdom	100	03739421
Real Radio (North East) Limited*	United Kingdom	100	02802028
Real Radio (North West) Limited*	United Kingdom	100	03409448
Real Radio (Scotland) Limited*	United Kingdom	100	SC145214

Name	Country	% ordinary share capital ownership	Registration number
Real Radio Limited*	United Kingdom	100	03815009
Remixd Media Inc*	United States of America	100	N/A
Riviera Radio Limited	United Kingdom	100	03223803
Rock Radio Limited	United Kingdom	100	SC131424
Rugby Broadcasting Limited*	United Kingdom	100	3243997
Saxon Radio Limited	United Kingdom	100	01532605
Scott Place 1002 Limited	United Kingdom	100	02989528
Scott Place 1003 Limited	United Kingdom	100	04220595
Sideindex Limited	United Kingdom	100	04004601
Smooth Digital Radio Limited	United Kingdom	100	04054273
Smooth Radio Investments Limited*	United Kingdom	100	02585798
Smooth Radio London Limited*	United Kingdom	100	01627850
Smooth Radio Scotland Limited*	United Kingdom	100	SC243652
Smooth Radio West Midlands Limited*	United Kingdom	100	08665246
South Hams Radio Limited	United Kingdom	87	03300698
Southern Radio Group Limited*	United Kingdom	100	01798533
Southern Radio Limited*	United Kingdom	100	01602035
Storm (GWR) Limited	United Kingdom	100	01798533
Storm Broadcasting Limited	United Kingdom	100	03967783
Suffolk Group Radio Limited*	United Kingdom	100	04091105
Tainside Limited*	United Kingdom	100	01582637
Thames Valley Broadcasting Group Limited	United Kingdom	100	02199253
Thames Valley Broadcasting Limited*	United Kingdom	100	01208165
Thamesquote Limited*	United Kingdom	100	02360672
The Digital Radio Group (Investments) Limited*	United Kingdom	100	04280706
The Digital Radio Group Limited*	United Kingdom	100	04027646
The Milton Keynes Broadcasting Company Limited	United Kingdom	100	02234200
The New 102 Limited*	United Kingdom	100	3062393
The Northamptonshire Broadcasting Company Limited	United Kingdom	100	01848359
The Storm (Digital Radio) Limited	United Kingdom	100	04089796
This is Global Limited	United Kingdom	100	05614997
Touch Broadcasting Limited*	United Kingdom	100	2425724
Touch Warwick Limited*	United Kingdom	100	5296793
TS Holdings Limited	United Kingdom	100	02795817
Two Counties Radio Limited*	United Kingdom	100	01388851
Vibe FM Limited	United Kingdom	100	03555310
We the Unicorns Limited*	United Kingdom	100	09732240
Welovelocal.com Limited*	United Kingdom	100	05975759
West Country Broadcasting Limited	United Kingdom	100	00858419
Westward Radio Limited	United Kingdom	100	03223796
Westward Television Limited	United Kingdom	100	03223798
Wiltshire Radio Limited*	United Kingdom	100	01568150
Wirral FM Limited	United Kingdom	50	02984878

Name	Country	% ordinary share capital ownership	Registration number
Xfm Limited*	United Kingdom	100	02672315
Xfm Manchester Limited*	United Kingdom	100	05337066

* Exemption from Audit by Parent Guarantee – Entities' debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006.

** Direct holdings of Global Media & Entertainment Limited as at the date of signing.

The Company's subsidiaries all have a year end of 31 March, with the exception of Audio HQ LLC which has a year end of 31 December. The group considers it's 50% ownership interest in Capital Radio Telstar Entertainment Direct Limited and Wirral FM Limited as controlling. The board of both companies is wholly made up of Global employees. As such, the group has the ability to influence decision making.

3. Investments (continued)

The Company's subsidiaries registered address is 30 Leicester Square, London, WC2H 7LA with the exception of the following entities:

Company	Registered Address
Audio HQ LLC	358 5th Avenue, Suite 302, New York 10001
Bell Bidco Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Global Outdoor Media Holdings Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Bell Intermediate Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Centercom B.V	Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands
Continental Angel Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
DAX Digital Ad Exchange Inc.	901 King Street West, Suite 400, Toronto, Ontario, M5V 3H5
DAX US Inc.	358 5th Avenue, Suite 302, New York 10001
Remixd Media Inc.	358 5th Avenue, Suite 302, New York 10001
Deltrack Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Falcon Outdoor (North) Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Global Media & Entertainment B.V.	Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands
GM Radio News (UK) Limited	Academic House, 24-28 Oval Road, London, NW1 7DJ
GM&E GmbH	c/o Taylor Wessing, 1 Sartorplatnz, 880331 Munich
Independent Radio News Limited	Academic House, 24-28 Oval Road, London, NW1 7DJ
Lite Spaces Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Maxx Outdoor Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Outdoor Plus Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Prestfold Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Airport Advertising Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Airports Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Billboards Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Communications Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Intermediate Holdco Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Primesight Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Project Iconic Bidco Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Project Iconic Holdings Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Project Iconic Midco Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Real Radio (Scotland) Limited	1 West Regent Street, Glasgow, G2 1RW
Rock Radio Limited	1 West Regent Street, Glasgow, G2 1RW
Smooth Radio Scotland Limited	1 West Regent Street, Glasgow, G2 1RW
Doubleplay I Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Doubleplay II Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Doubleplay III Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Exterion Group Holdings Limited	Floor 4 Willow House Cricket Square, PO BOX 268, Grand Cayman, K111o4, Cayman Islands
Exterion Holdings (BVI) Limited	2/F Palm Grove House, P.O Box 3340, Road Town, Tortola, British Virgin Islands
Exterion Holdings (UK) Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Exterion Holdings I (Netherlands) B.V.	Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands
Exterion Holdings II (Netherlands) B.V.	Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands
Exterion Leasing (BDA) Limited	Cumberland House 1 Victoria Street, 9th Floor, Hamilton, Hm11, Bermuda
Exterion Leasing (UK) Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Exterion Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Exterion Media (Ireland) Limited	25-28 Adelaide Road, Dublin 2D02 RY98
Exterion Media Holdings Limited	7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL
Exterion Media Spain S.A.U	Calle Valle de la Fuenfna, 3, 28034 Madrid, Spain
Exterion Partner (BDA) GP	Cumberland House 1 Victoria Street, 9th Floor, Hamilton, Hm11, Bermuda

4. Trade and other receivables

	31 March 2022	31 March 2021[1]
	£'000	£'000
Amounts due from subsidiaries	—	45,941
	—	45,941

[1] This period has been restated. Please see note 1d for details.

During the year, the company identified that the intercompany balances between Global Media and Entertainment Limited and Global Radio Acquisitions Limited were incorrectly recognised, as part of the Group restructure in 2019. The balances have been restated to reflect the correct position with amounts due from subsidiaries. This would leave a £74,782k payable from Global Media and Entertainment Limited to Global Radio Acquisitions Limited.

The intra-group balances are repayable on demand. The balances within the Radio operating segment incur annual interest of 6%.

5. Creditors: amounts falling due within one year

	31 March 2022	31 March 2021
	£'000	£'000 [1]
Bank loans and overdrafts	**67,500**	61,875
Accrued interest	**28,059**	24,098
Amounts owed to group undertakings	**97,887**	77,444
Deferred tax liabilities	**—**	—
	193,446	163,417

[1] This period has been restated. Please see note 1d for details.

The intra-group balances are repayable on demand. The balance is made up of some interest bearing loans and some interest free loans, for those which are interest bearing, the balances within the Radio operating segment incur annual interest of 6%.

During the year, the company identified that the intercompany balances between Global Media and Entertainment Limited and Global Radio Acquisitions Limited were incorrectly recognised, as part of the Group restructure in 2019. The balances have been restated to reflect the correct position with amounts due from subsidiaries. This would leave a £74,782k payable from Global Media and Entertainment Limited to Global Radio Acquisitions Limited.

The amounts owed to group undertakings is split as follows: £20.4m Global Media Group Services Limited, £74.8m Global Radio Acquisitions Limited, £0.8m Global Outdoor Media Holdings Limited and £1.8m Global Radio Holdings Limited.

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

	31 March 2022	31 March 2021
	£'000	£'000 [1]
Bank loans	**278,231**	344,248
Other loans	**1,427,366**	1,315,728
	1,705,597	1,659,976

Included in other loans is shareholder debt, refer to the group consolidated financial statements note 16.

[1] This period has been restated. Please see note 1d for details.

7. Share capital

	31 March 2022	31 March 2021
	£	£
Authorised, issued, called up and fully paid		
171,889,147 Ordinary shares of £1.00 each	**171,889,147**	171,889,147
	171,889,147	171,889,147

8. Related party transactions

As disclosed in note 23 and in accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group. The Company has not completed any related party transactions with any other entities or parties.

9. Immediate and ultimate parent company

In the opinion of the Directors the Company's immediate and ultimate controlling company is Global Radio Group Limited, a company incorporated in Jersey.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Media & Entertainment Limited. Refer to Note 1 of the consolidated financial statements for details of where these financial statements can be obtained from.

10. Events after the reporting period

Please refer to note 30 of the consolidated financial statements.