

Registered number: 01394141

BAUER RADIO LIMITED

Unaudited

Annual Report and Financial Statements

For the Year Ended 31 December 2020



BAUER RADIO LIMITED

Company Information

Directors	P Keenan D A Ford S Vickery
Company secretary	Bauer Group Secretariat Limited
Registered number	01394141
Registered office	Media House Peterborough Business Park Lynch Wood Peterborough PE2 6EA

BAUER RADIO LIMITED

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BAUER RADIO LIMITED

Strategic Report For the Year Ended 31 December 2020

Introduction

The directors present their strategic report for the year ended 31 December 2020.

The Company is engaged in the operation of independent radio stations under licence from Ofcom as well as an investment holding company and provides management services to other group companies.

In the UK it operates with its UK subsidiaries 70 radio brands, 60 radio websites, 316 social channels and 30 mobile apps as part of Bauer Media Audio, Europe's leading digital commercial radio broadcaster and audio operator. With 29 stations, its Nordic subsidiaries are the market leader in Denmark and Finland and rank number two in Norway.

Business review

As passionate experts in the power of audio, our mission is to make our listeners' world sound better through outstanding products and services, creating commercial value. Digital has been an enabler for UK commercial radio leading to an explosion in opportunity and choice. The last ten years has seen technological innovation across content, distribution and advertising delivery – against a backdrop of commercial radio being hailed as the fastest growing advertising medium in the UK, the most trusted medium in Europe, and the strongest advertising media for brand-building in the UK.

In 2019 the Company acquired Celador Radio Broadcasting Limited (later renamed CRB Audio Group Limited), Lincs FM Group Limited, UKRD Group Limited, Radiowave (Blackpool) Limited and 102.4 Wish FM Limited. Following these acquisitions, the Competitions and Markets Authority issued a hold separate order, which was lifted on 14 April 2020, from which date Bauer has had control and has been able to commence the integration of the acquired stations. The acquisitions are an integral part of the Bauer strategy, to drive further digital development across the industry and support a strong and sustainable future for the commercial radio sector. Although this integration process has been a challenge against a backdrop of a global pandemic, the directors are pleased with progress to date, and believe that the full benefit of the acquisitions will flow through from 2021.

The additional scale and reach of our acquisitions allowed the Company to relaunch its Hits Radio Brand Network during the year creating the UK's largest commercial Radio brand, offering significant extra scale to advertisers and access to highly valued audiences, which will help to drive both audience and revenue growth.

During the year the Company established a joint venture, Octave IP Limited to give brands and advertisers the opportunity to target premium, engaged audio audiences powered by first-party data at scale, in a transparent and brand safe environment.

The Company continues to support children across the country with campaigns for Cash for Kids, including a Cash for Kids Appeal which helped support families hit by Covid-19 and Mission Christmas which provided gifts to disadvantaged children. During 2020 Cash for Kids raised £19.1m, helping support 384,598 children across the UK.

Impact of the Covid-19 pandemic

Although COVID 19 caused a downturn in advertising from sectors impacted by the legal restrictions imposed, the Company took action to manage the cost base during the crisis and the directors are pleased to note that, with the assistance of Coronavirus Job Retention Scheme grants from the UK government during 2020, the Company has been able to minimise redundancies as a result of the impact of Covid-19. Note 8 shows that the Company has actually seen a 276% increase in average headcount as a result of the transfer in of the trade of subsidiary companies at the end of 2019.

The Company transitioned quickly to remote working, with only essential broadcast roles being office-based, where robust and appropriate social distancing and health & safety measures were put in place.

BAUER RADIO LIMITED

Strategic Report (continued) For the Year Ended 31 December 2020

Results for the year

On 31 December 2019, the trade and assets of certain subsidiaries were transferred to the Company at book value. Prior to this the Company was chiefly an investment holding company earning its profits in large part from the dividends paid by its trading subsidiaries. With the reorganisation last year, the trade transferred from those subsidiaries is now included in turnover (see note 4) and operating profits.

Profit for the financial year was £29,787,000 (2019: £109,597,000). During 2019 the corporate reorganisation impacted the year's results significantly. As a result of this reorganisation the Company made an operating profit in 2020 of £25,913,000, as shown on page 9.

Dividends

The Company received dividends from its subsidiaries of £8,201,000 (2019: £127,295,000) and received dividends from other participating interests of £1,260,000 (2019: £1,275,000).

The Company paid dividends of £Nil (2019: £197,971,000) during the year. The dividends paid last year were funded by a loan from an intermediate parent company, Heinrich Bauer Verlag Beteiligungs GmbH. The loan was partly repaid during the year, leaving an amount of £70,712,000 (2019: £93,310,000) outstanding.

Financial position

At 31 December 2020 the Company's net assets were £90,226,000 (2019: £60,439,000).

At the year end the Company had net current liabilities of £50,738,000 (2019: £721,000). £49,077,000 of the movement related to the transfer of investments from current assets to fixed assets, following the release of the CMA hold separate order in April 2020.

The net current liabilities included an amount payable to Heinrich Bauer Verlag Beteiligungs GmbH, which at 31 December 2020 was £70,712,000. This amount has been repaid by the date of approval of these financial statements

No change in the nature of the Company's activities is anticipated.

Principal risks and uncertainties

The Company and its investments are exposed to risks associated with fluctuations in advertising spend, the maintenance of key relationships through the radio supply chain, loss of key personnel and increased competition in the marketplace.

The Company and its investments are required to comply with the terms of their broadcast licences. The Company mitigates the risk of non compliance through the work of the management team and by regular training of on and off air personnel.

The Company's credit risk is primarily attributable to its own trade debtors. Credit risk is managed by obtaining prepayments from new customers and running credit checks on existing customers. Liquidity and cashflow risks are managed through support from the Company's parent.

The impact of Brexit has been minimal to the group given the majority of revenues and costs are incurred within the UK. However, broader macro economic factors have the potential to impact advertising budgets in the short term.

The Company's investments in Denmark, Finland and Norway are not expected to be impacted by Brexit, other than in relation to potential foreign currency fluctuations.

BAUER RADIO LIMITED

Strategic Report (continued) For the Year Ended 31 December 2020

Financial key performance indicators

The Company reviews the financial performance of its investments on a regular basis to monitor and manage the business effectively. Historically the directors considered the Company to be an investment holding company, for which the key performance indicator was profit before tax, which, this year, was £34,518,000 (2019: £106,870,000).

Other indicators include the Company's dividend income of £9,461,000 (2019: £128,570,000) (see page 9) and operating profit of £25,913,000 (2019: loss £55,053,000).

From 2020 the Company has become an operational radio broadcaster holding a portfolio of licences across the UK, whilst still retaining some direct investments. The directors consider the appropriate measures for the Company to now be turnover and operating profit.

Turnover for the year increased to £189,864,000 from £12,451,000 as a result of the consolidation of trading into the Company at the end of 2019. The operating profit increase of £80,966,000 is also, in part, a result of this factor, but the comparison is also affected by a £43,286,000 impairment of investments in the prior year.

Other key performance indicators

The key non financial performance indicators include the gender pay gap, diversity and inclusion, and advertising and audience market share, the latter as independently measured by RAJAR on a quarterly basis.

Directors' statement of compliance with duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the Company's employees and other stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions. Acting in good faith and fairly between members, the directors consider what is most likely to promote the success of the Company for its members in the long term. The directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006.

The Board regularly reviews our principal stakeholders and how we engage with them. The stakeholder voice is constantly brought to the Executive team through information provided by management and also by direct engagement with stakeholders themselves. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

The Company is a trading company and as such the Board consider that the Company's stakeholders are its customers, consumers, employees, shareholder and its supplier base.

Customers and consumers

The Company is committed to ensuring the future of its radio business and serving the needs of its listeners and advertisers. Output is tailored by brand to meet the needs of its target listeners to optimise audience scale. For advertisers we offer a premium brand environment with the scale, simplicity and strength of national brand networks, while also retaining local advertising opportunities for clients.

BAUER RADIO LIMITED

Strategic Report (continued) For the Year Ended 31 December 2020

Employees

We work to attract, develop and retain quality talent, equipped with the right skills for the future. Our people have a crucial role in delivering against our strategy and creating value.

The interests of our employees include training, development and prospects; diversity and inclusion; fair pay and benefits; health and safety and working conditions.

We do everything we can to ensure equality of opportunity for everyone who works at Bauer or wants to work at Bauer, including, but not limited to those from ethnic communities, those who have a disability or mental health challenge and those from a lower socio economic background. This approach underpins how we attract and recruit new people into Bauer, as well as the support we provide to develop and progress our staff.

Disabled employees are given the same consideration as others and, depending on their skills and abilities, will enjoy the same training, development and prospects as other staff. Employees who become disabled during their employment with the Company will be retained wherever possible and encouraged to develop their careers.

We refer to our approach to diversity and inclusion in the UK business as "Belonging at Bauer". Belonging at Bauer means that we recognise people are at the heart of everything we do. Inclusion is at the core of our values as a business and we celebrate authenticity, valuing the richness difference and diversity bring to our business.

The Company, in conjunction with the Bauer worldwide group, uses a variety of means to inform and to listen to its employees, including regular pulse surveys, online town hall meetings with the senior executive teams, weekly emails and frequent newsletters to all employees, and a dedicated Bauer Buzz intranet site.

Shareholder

Bauer Radio Limited is a wholly owned subsidiary of HBVB. The Board considers its shareholder when making decisions for both the short and long term.

Suppliers

The Company operates an integrity-based approach to our supply chain and looks to work with suppliers who share our values. Our supplier conduct policy is available at bauermedia.co.uk.

Our supplier interests include fair trading, payment terms, success of the business and long-term partnerships and we regularly meet with key suppliers to develop these relationships. Our policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction and to ensure that suppliers are made aware of the terms of payment and to abide by the terms of payment. The average trade creditors, expressed as a number of days, were 23 (2019: 21).

BAUER RADIO LIMITED

Strategic Report (continued) For the Year Ended 31 December 2020

Environmental matters

The Company is committed to promoting good sustainable practices throughout the business. We continue to identify and adopt policies which take into account the need to protect the environment. Where possible we will choose a supplier that has environmental accreditation beyond the minimum required.

The Company is required to report annually on the quantity of carbon dioxide equivalent emissions in tonnes emitted as a result of activities for which it is responsible.

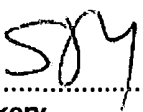
Emissions Type	Total Volume (kWh)	Emissions (tonnes CO2)
Scope 1 – direct emissions	3,310,192	630
Scope 2 – indirect emissions	3,554,546	829
Scope 3 – transport emissions	38,568	10
	<u>6,903,306</u>	<u>1,469</u>

Intensity ratio emissions (kgCO₂e/m²) is 79.

The directors have chosen to use total annual emissions in kilograms of CO₂ per square metre of the Company's property portfolio as its intensity ratio. As this is the first year of reporting there is no comparison with previous years, nor any energy efficiency actions completed.

The Company has taken guidance from the UK Government Environmental Reporting Guidelines (March 2019), the GHG Reporting Protocol - Corporate Standard, and from the UK Government GHG Conversion Factors for Company Reporting document for calculating carbon emissions. Energy usage information (gas and electricity) has been obtained directly from their energy suppliers and HH/AMR data, where available, for those supplies with HH/AMR meters. Where there was no AMR or billed usage available, flat profile estimation techniques were used to calculate the energy usage for the missing period. Transport mileage and/or fuel usage data was provided for company and employee owned vehicles. CO₂ emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information.

This report was approved by the Board on 26 August 2021 and signed on its behalf.


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S Vickery
Director

BAUER RADIO LIMITED

Directors' Report For the Year Ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year, after taxation, amounted to £29,787,000 (2019: £109,597,000).

No interim dividend was paid during the year (2019: £197,971,000). The directors do not recommend the payment of a final dividend (2019: £Nil).

Directors

The directors who served during the year were:

P Keenan
D A Ford
S Vickery

Political contributions

The Company made no political donations nor incurred any political expenditure during the year.

Future developments

As noted in the Strategic Report on pages 1 to 5, the Competition & Markets Authority launched an investigation into the purchase of a number of radio stations by the Company. This process was satisfactorily completed in April 2020 and the process of integrating those businesses into the Bauer group is now underway and is expected to start to bear fruit from 2021.

While the coronavirus crisis continues to present a challenging economic environment, the business has taken action to mitigate the effects on advertising revenues. The Company adjusted quickly to manage the downside risk and is well placed to benefit from economic recovery. The Company continues to develop its strategy to grow listening share and advertising revenues.

Going concern

Notwithstanding the fact that the Company has net current liabilities, the directors have prepared the financial statements on the going concern basis. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period. The net current liabilities included an amount payable to Heinrich Bauer Verlag Beteiligungs GmbH, which at 31 December 2020 was £70,712,000. This amount has been repaid by the date of approval of these financial statements. Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.(see note 2.3).

Matters covered in the strategic report

A business review, financial results, details of the principal risks and uncertainties faced by the Company and details on the Company's engagement with employees, shareholders, suppliers and the environment have been included in the Strategic Report on pages 1 to 5.

BAUER RADIO LIMITED

Directors' Report (continued)
For the Year Ended 31 December 2020

Auditor

The directors have claimed exemption, under section 479A of the Companies Act 2006, from the need to have these financial statements audited. A statement of guarantee by a parent undertaking, Heinrich Bauer Verlag Beteiligungs GmbH, a company incorporated in Germany with registration number HRB 32176, has been approved for filing at Companies House.

This report was approved by the Board on 26 August 2021 and signed on its behalf.



S Vickery
Director

Media House
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6EA

BAUER RADIO LIMITED

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements For the Year Ended 31 December 2020

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

BAUER RADIO LIMITED

**Profit and Loss Account
For the Year Ended 31 December 2020**

	Note	2020 £000	2019 £000
Turnover	4	189,864	12,451
Cost of sales		(41,242)	(3,938)
Gross profit		148,622	8,513
Administrative expenses - trade	5	(125,480)	(23,160)
Administrative expenses - other	5	-	(41,875)
Other operating income	6	2,771	1,469
Operating profit/(loss)	7	25,913	(55,053)
Income from shares in group undertakings		8,201	127,295
Income from other participating interests		1,260	1,275
Profit on disposal of fixed asset investments		-	32,571
Interest receivable and similar income	10	174	1,063
Interest payable and similar expenses	11	(1,030)	(281)
Profit before tax		34,518	106,870
Tax on profit	12	(4,731)	2,727
Profit for the financial year		29,787	109,597

The notes on pages 13 to 42 form part of these financial statements.

BAUER RADIO LIMITED
Registered number:01394141

Balance Sheet
As at 31 December 2020

	Note	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Intangible assets	14		-		31
Tangible assets	15		27,969		28,801
Investments	16		113,733		33,283
			<u>141,702</u>		<u>62,115</u>
Current assets					
Debtors: amounts falling due after more than one year	17	3,664		310	
Debtors: amounts falling due within one year	17	60,147		81,961	
Current asset Investments	18	-		49,077	
Cash at bank and in hand		16,156		9,965	
		<u>79,967</u>		<u>141,313</u>	
Creditors: amounts falling due within one year	19	(130,705)		(142,034)	
Net current liabilities			<u>(50,738)</u>		<u>(721)</u>
Total assets less current liabilities			<u>90,964</u>		<u>61,394</u>
Provisions for liabilities					
Other provisions	21	(738)		(955)	
		<u>(738)</u>		<u>(955)</u>	
Net assets			<u><u>90,226</u></u>		<u><u>60,439</u></u>

BAUER RADIO LIMITED
Registered number:01394141

Balance Sheet (continued)
As at 31 December 2020

	Note	2020 £000	2019 £000
Capital and reserves			
Called up share capital	22	80,507	80,507
Share premium account		33,947	33,947
Special reserve		(202,821)	(221,259)
Profit and loss account		178,593	167,244
		<u>90,226</u>	<u>60,439</u>

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 26 August 2021.


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S Vickery
Director

The notes on pages 13 to 42 form part of these financial statements.

BAUER RADIO LIMITED

**Statement of Changes in Equity
For the Year Ended 31 December 2020**

	Called up share capital £000	Share premium account £000	Special reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2019	80,507	33,947	-	255,618	370,072
Profit for the year	-	-	-	109,597	109,597
Dividends: Equity capital	-	-	-	(197,971)	(197,971)
Special reserve	-	-	(221,259)	-	(221,259)
At 1 January 2020	80,507	33,947	(221,259)	167,244	60,439
Profit for the year	-	-	-	29,787	29,787
Release of special reserve	-	-	18,438	(18,438)	-
At 31 December 2020	80,507	33,947	(202,821)	178,593	90,226

The notes on pages 13 to 42 form part of these financial statements.

The creation of a special reserve in 2019 was a result of adopting the principles of merger accounting in recording the impact of the group reconstruction which took place on 31 December 2019, as described in note 16. This Special Reserve is non-distributable and is being amortised over the lifetime of the assets to which it relates.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

Bauer Radio Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 01394141 and the registered address is Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA.

As part of a group reorganisation, the trade and assets of most UK radio direct and indirect subsidiaries were transferred to the Company at the end of 2019 and the Company is now engaged in the operation of independent radio stations under licence from Ofcom.

The Company also operates as an investment holding company and provides management services to other group companies.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Bauer Radio Limited acts as a non-disclosed agent for the raising of sales invoices and incurring of expenditure of other radio companies within the group. The invoices are raised by the shared service centre administered by another group entity, HBVB. Bauer Radio Limited includes all sales invoices raised and cash receipts within the trade debtor balance in these accounts for all the companies where it acts as undisclosed agent as well as its own sales invoices and cash receipts relating to its revenue. It also holds the creditor balances for the majority of purchase invoices, payroll taxes and other creditors for all the companies for which it acts as undisclosed agent in these accounts as well as its own amounts due to third parties. Bauer Radio Limited records a net intercompany creditor/debtor position in its books and the individual radio companies process a net corresponding intercompany debtor/creditor in their accounting records. Bauer Radio Limited and the companies have a legally enforceable right to set off intercompany balances, however the underlying credit and liquidity risk remain with the individual company.

The following principal accounting policies have been applied:

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Heinrich Bauer Verlag Beteiligungs GmbH as at 31 December 2020 and these financial statements may be obtained from Burchardstraße 11, 20095 Hamburg, Germany.

The Company has taken advantage of the exemption in Financial Reporting Standard 102 section 33.1A "Related party disclosures" and has not disclosed transactions with wholly owned group undertakings.

2.3 Going concern

Notwithstanding net current liabilities of £50,738,000 as at 31 December 2020, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

The net current liabilities included an amount payable to Heinrich Bauer Verlag Beteiligungs GmbH, which at 31 December 2020 was £70,712,000. This amount has been repaid by the date of approval of these financial statements.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Key classes of revenue are recognised on the following basis:-

Radio advertising revenue is recognised on the date of the broadcast.

Sponsorship, internet revenue and transmission fees are recognised over the term of the contract.

Production revenue is recognised on date of release of adverts to clients.

Competition revenues are recognised on the dates of the competition activity.

Other Enterprise revenue is recognised on agreed settlement with all parties.

Event income is recognised when the event has taken place.

Training revenues are recognised when the services are provided.

Management services revenue is recognised when the services are provided.

2.5 Operating leases: the Company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on:

- the differences between the fair values of assets acquired and the future tax deductions available for them; and
- the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold land and property	- 20 - 50 years
L/Term Leasehold Property	- 40 - 50 years
S/Term Leasehold Property	- 5 years
Motor vehicles	- 5 years
Studio and office equipment	- 3 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.15 Valuation of investments

Investments in subsidiaries, associates and joint ventures are measured at cost less accumulated impairment.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.20 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.21 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments and estimates. These are continually evaluated, based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances that would have a major impact on applying the above accounting policies.

The following judgments and estimates have had the most significant effect on the amounts recognised in the financial statements:

(a) Investments

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. When testing for impairment, recoverable amounts are measured at their value in use by discounting the future expected cash flow from the investments.

(b) Impairment of debtors

The Company makes an estimate of the recoverable values of trade and other debtors. The current credit rating of the debtor, the ageing of the debt and the historical experience of debtors are used by management in assessing impairment of trade and other debtors.

(c) Turnover

Revenue is recognised when the significant risks and rewards of ownership have been transferred to a third party, or services provided at the point when it is probable that the economic benefits will flow to the Company and when the amount of revenue can be reliably measured. Revenue is measured at the fair value of the consideration.

(d) Income taxes

Estimates may be required in determining the level of current and deferred income tax assets and liabilities, which the directors believe are reasonable and adequately recognise any income tax related uncertainties. Various factors may have favourable or adverse effects on the income tax assets and liabilities. These include changes in tax legislation, tax rates and allowances, future levels of spending, the Company's level of future earnings and estimated future taxable profits.

(e) Useful economic life of assets

The Company's policy for applying useful economic lives has been determined through applying historical experience and taking into consideration the nature of assets and their intended use.

4. Turnover

The directors are of the opinion that disclosing the Company's turnover by activity is not in the best interests of the Company.

All turnover is substantially derived from sales in the United Kingdom.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

5. Administrative expenses

	2020	2019
	£000	£000
Administrative expenses - trade	125,480	23,160
Administrative expenses - impairment of fixed asset investments	-	43,286
Administrative expenses - release of intercompany provision	-	(1,411)
	125,480	65,035

On 31 December 2019, the Company acquired the trade and assets of most of its subsidiaries at book value. Consequently, the current year results include the revenue and expenses of that acquired trade for the whole of the period. During 2019 these expenses were recorded in the subsidiaries' financial statements.

The Company incurred charges of £Nil (2019: £43,286,000) in respect of a provision for the impairment of fixed asset investments following the receipt of dividends from subsidiaries (see note 16). The Company released an intercompany provision resulting in a credit to the profit and loss account of £Nil (2019: £1,411,000).

6. Other operating income

	2020	2019
	£000	£000
Government grants	2,119	501
Net rents receivable	-	945
Royalty receivable	652	23
	2,771	1,469

Government grants include grants from the Skills Funding Agency for the provision of vocational training. In 2020, the Company also received grants of £1,899,690, from the UK government, in relation to the Coronavirus Job Retention Scheme.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

7. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020 £000	2019 £000
Depreciation of tangible fixed assets	1,655	-
Amortisation of intangible assets, including goodwill	31	-
Other operating lease rentals	2,127	47
Defined contribution pension cost	788	276
	<u> </u>	<u> </u>

Some operating leases refer to car leases and there are no commitments at the year end for future rentals.

8. Employees

Staff costs were as follows:

	2020 £000	2019 £000
Wages and salaries	25,223	7,612
Social security costs	2,790	876
Cost of defined contribution scheme	788	276
	<u> </u>	<u> </u>
	<u>28,801</u>	<u>8,764</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Administrative	60	46
Programming	246	80
Sales	250	22
	<u> </u>	<u> </u>
	<u>556</u>	<u>148</u>

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

9. Directors' remuneration

	2020 £000	2019 £000
Directors' emoluments	1,166	624
	<u>1,166</u>	<u>624</u>

The highest paid director received remuneration of £630,000 (2019: £607,000).

Remuneration for two of the directors is borne by another group entity, HBVB Management Limited. The amount of these directors' remuneration attributable to services provided to Bauer Radio Limited has been apportioned based on time spent.

As a result of the trade and asset transfers from subsidiaries to the Company on 31 December 2019, the Company has received a greater apportionment of directors' remuneration attributable to services provided to Bauer Radio Limited.

The directors of the Company are considered its key management personnel.

10. Interest receivable and similar income

	2020 £000	2019 £000
Interest receivable from group companies	-	884
Other interest receivable	174	179
	<u>174</u>	<u>1,063</u>

11. Interest payable and similar expenses

	2020 £000	2019 £000
Interest payable on loans from group undertakings	1,028	281
Other interest payable	2	-
	<u>1,030</u>	<u>281</u>

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

12. Taxation

	2020	2019
	£000	£000
Corporation tax		
Current tax on profits for the year	4,792	(2,249)
Adjustments in respect of previous periods	23	(9)
Total current tax	4,815	(2,258)
Deferred tax		
Origination and reversal of timing differences	58	12
Adjustments in respect of previous periods	(18)	(480)
Changes to tax rates	(124)	(1)
Total deferred tax	(84)	(469)
Taxation on profit on ordinary activities	4,731	(2,727)

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £000	2019 £000
Profit on ordinary activities before tax	34,518	106,870
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	6,559	20,305
Effects of:		
Expenses not deductible for tax purposes	125	119
Utilisation of tax losses	(36)	-
Adjustments to tax charge in respect of prior periods	5	(489)
Release of intercompany provision	-	(268)
Impairment of fixed asset investment	-	8,224
Profit on disposal of fixed asset investments	-	(6,189)
Dividends received	(1,798)	(24,428)
Reduction in tax rate on deferred tax balances	(124)	(1)
Total tax charge/(credit) for the year	4,731	(2,727)

The tax credit has been transferred via the intercompany account to reduce the tax liability in the balance sheet of another group company.

Factors that may affect future tax charges

The statutory UK corporation tax rate is currently 19%, effective from 1 April 2017. Finance Bill 2021 enacted provisions to increase the main rate of UK corporation tax to 25% from 1 April 2023.

Deferred tax has been calculated at the tax rate expected to apply in the period when the liability is settled, or the asset released, based on tax law and the corporation tax rates that have been enacted, or substantively enacted, at the year end. As the Finance Bill 2021 was not enacted, or substantively enacted by the balance sheet date the deferred tax balances as at 31 December 2020 have been measured at a rate of 19%. If the 25% tax rate had been used, the deferred tax asset would have been £355,000 higher.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

13. Dividends paid

	2020 £000	2019 £000
Interim dividend	-	197,971
	<u>-</u>	<u>197,971</u>

14. Intangible assets

	Goodwill £000
Cost	
At 1 January 2020	25,806
At 31 December 2020	<u>25,806</u>
Amortisation	
At 1 January 2020	25,775
Charge for the year on owned assets	31
At 31 December 2020	<u>25,806</u>
Net book value	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>31</u>

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

15. Tangible fixed assets

	Freehold land and property £000	L/Term Leasehold Property £000	S/Term Leasehold Property £000	Motor vehicles £000	Studio and office equipment £000	Total £000
Cost						
At 1 January 2020	27,039	1,624	139	21	14,059	42,882
Additions	-	-	-	-	541	541
Transfers intra group	313	-	-	-	-	313
Disposals	-	(7)	-	-	(397)	(404)
At 31 December 2020	27,352	1,617	139	21	14,203	43,332
Depreciation						
At 1 January 2020	2,445	1,132	139	8	10,357	14,081
Charge for the year on owned assets	397	21	-	4	1,233	1,655
Disposals	-	(7)	-	-	(366)	(373)
At 31 December 2020	2,842	1,146	139	12	11,224	15,363
Net book value						
At 31 December 2020	24,510	471	-	9	2,979	27,969
At 31 December 2019	24,594	492	-	13	3,702	28,801

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments

	Investments in subsidiary companies £000	Investments in associates £000	Other fixed asset investments £000	Total £000
Cost or valuation				
At 1 January 2020	561,675	538	-	562,213
Additions	31,373	-	-	31,373
Transfer from current investments	49,077	-	-	49,077
Transfer between classes	-	(300)	300	-
At 31 December 2020	642,125	238	300	642,663
Impairment				
At 1 January 2020	528,630	300	-	528,930
Transfer between classes	-	(300)	300	-
At 31 December 2020	528,630	-	300	528,930
Net book value				
At 31 December 2020	113,495	238	-	113,733
At 31 December 2019	33,045	238	-	33,283

BAUER RADIO LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

16. Fixed asset investments (continued)

Included in the closing balances of both cost and accumulated impairment is £561,509,000 relating to dormant companies to be wound up in due course.

During 2019 the Company acquired 100% of the shares in Celador Radio Broadcasting Limited, Lincs FM Group Limited, UKRD Group Limited, Radiowave (Blackpool) Limited and 102.4 Wish FM Limited.

Following the announcements of these acquisitions, the Competitions and Markets Authority ("CMA") issued a hold separate order. At 31 December 2019, the acquisitions were treated as Current Asset investments to reflect the lack of control at that time. On 14 April 2020, the CMA lifted the hold separate order and the acquisitions were moved to fixed asset investments. The acquisitions are an integral part of the Bauer strategy to drive further digital development across the industry and support a strong and sustainable future for the commercial radio sector.

On 20 August 2020 and 14 September 2020, the Company's subsidiary Lincs FM Group Limited issued ordinary share capital of £4,295,355 and £546,000 to the Company for cash consideration.

On 20 August 2020 and 14 September 2020, the Company's subsidiary UKRD Group Limited issued ordinary share capital of £6,073,198 and £1,713,000 to the Company for cash consideration.

On 14 September 2020, the Company's subsidiary CRB Audio Group Limited issued ordinary share capital of £18,629,900 to the Company for cash consideration.

During 2020 further legal and professional costs of £115,000 were incurred.

On 30 December 2020, the Company did not take up the rights issue in Central FM Limited resulting in its shareholding being diluted to 5% and being reclassified to Other fixed asset investments.

The carrying value of the Company's investments are reviewed for impairment when there are indications that the assets may be impaired. When testing for impairment, recoverable amounts are measured at their value in use by discounting the future expected cash flows from the investments.

In the opinion of the directors the value of investments is not less than the aggregate amount at which they are stated in the balance sheet.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)**Direct subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Bauer Golden Square Limited	Ordinary	100 %	Dormant
Bauer Digital Radio Limited	Ordinary	100 %	Digital Radio
Bauer Group Secretariat Limited	Ordinary	100 %	Dormant
Bauer Media Holding Oy	Ordinary	100 %	Radio broadcasting
Bauer Media AS	Ordinary	100 %	Radio broadcasting
Bauer Media ApS	Ordinary	100 %	Radio broadcasting
Bauer Radio (West Midlands) Limited	Ordinary	100 %	Dormant
Kiss FM Radio Limited	Ordinary	100 %	Dormant
Magic 105.4 Limited	Ordinary	100 %	Dormant
Metro Radio Limited	Ordinary	100 %	Dormant
Key 103 Limited	Ordinary	100 %	Dormant
Piccadilly Radio Limited	Ordinary	100 %	Dormant
Planet Rock Limited	Ordinary	100 %	Dormant
Radio Aire Limited	Ordinary	100 %	Dormant
Radio City (Sound of Merseyside) Limited	Ordinary	100 %	Dormant
Radio Hallam Limited	Ordinary	100 %	Dormant
Red Rose Radio Limited	Ordinary	100 %	Dormant
Scottish Radio Holdings Limited	Ordinary	100 %	Dormant
TFM Radio Limited	Ordinary	100 %	Dormant
Viking Radio Limited	Ordinary	100 %	Dormant
Orion Media Holdings Limited	Ordinary	100 %	Dormant
Jazz FM Limited	Ordinary	100 %	Dormant
CRB Audio Group Limited	Ordinary	100 %	Radio broadcasting
Radiowave (Blackpool) Limited	Ordinary	100 %	Dormant
102.4 Wish FM Limited	Ordinary	100 %	Dormant
Lincs FM Group Limited	Ordinary	100 %	Radio broadcasting
UKRD Group Limited	Ordinary	100 %	Radio broadcasting
Downtown Radio Limited	Ordinary	100 %	Radio broadcasting
Radio Forth Limited	Ordinary	100 %	Dormant

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Indirect Subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Bauer AR Holdings Limited	Ordinary	100 %	Dormant
Absolute Radio Limited	Ordinary	100 %	Dormant
Bauer AR Digital Radio Limited	Ordinary	100 %	Dormant
EG Digital Limited	Ordinary	51 %	Non-trading
Carlisle Radio Limited	Ordinary	100 %	Dormant
Moray Firth Radio Limited	Ordinary	100 %	Dormant
Northsound Radio Limited	Ordinary	100 %	Dormant
Radio Borders Limited	Ordinary	100 %	Dormant
Radio Clyde Limited	Ordinary	100 %	Dormant
Radio Tay Limited	Ordinary	100 %	Dormant
South West Sound Limited	Ordinary	100 %	Dormant
Vibe Radio Services Limited	Ordinary	100 %	Dormant
Kiss 101 Limited	Ordinary	100 %	Dormant
Kiss 105-108 Limited	Ordinary	100 %	Dormant
Wave 105 FM Limited	Ordinary	100 %	Dormant
West Sound Radio Limited	Ordinary	100 %	Dormant
Bauer Media Oy	Ordinary	100 %	Radio broadcasting
Kaimax Media Oy	Ordinary	100 %	Radio broadcasting
3N Radiot Oy	Ordinary	100 %	Radio broadcasting
Miracle Sound Oy	Ordinary	51 %	Radio broadcasting
Miracle Sound Oulu Oy	Ordinary	51 %	Radio broadcasting
Kuunappi Radioliiketoiminta Oy	Ordinary	100 %	Radio broadcasting
Oy Basso Media Ltd	Ordinary	100 %	Radio broadcasting
TuotantOyhtiö Manuscript Oy	Ordinary	100 %	Dormant
Orion Media Limited	Ordinary	100 %	Dormant
Mercia Sound Limited	Ordinary	100 %	Dormant
Radio Wyvern Limited	Ordinary	100 %	Dormant
Beacon Broadcasting Limited	Ordinary	100 %	Dormant
Orion Media (East Midlands) Limited	Ordinary	100 %	Dormant
Orion Trustee Limited	Ordinary	100 %	Dormant
Midlands Radio Limited	Ordinary	100 %	Dormant
Capital Radio North East Limited	Ordinary	100 %	Dormant, dissolved after the year end
BRMB Limited	Ordinary	100 %	Dormant
Capital Radio Fun Limited	Ordinary	100 %	Dormant, dissolved after the year end
Border Radio Holdings Limited	Ordinary	100 %	Dormant, dissolved after the year end

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Birmingham Broadcasting Limited	Ordinary	100 %	Dormant
Capital Gold Birmingham Limited	Ordinary	100 %	Dormant dissolved after
Switchdigital (B&H) Limited *	Ordinary	100 %	the year end
Switchdigital (S&S) Limited *	Ordinary	100 %	Dormant
Anglian Broadcasting Company (Holdings) Limited *	Ordinary	100 %	Dormant
Anglian Radio Limited *	Ordinary	100 %	Dormant
Mellow 1557 Limited	Ordinary	100 %	Dormant
East Coast Radio (The Beach) Limited	Ordinary	100 %	Dormant
Town FM Limited	Ordinary	100 %	Dormant
North Norfolk Radio Limited	Ordinary	100 %	Dormant
99.9 Radio Norwich Limited	Ordinary	100 %	Dormant
Bauer Radio (TRL) Limited *	Ordinary	100 %	Dormant
Midwest Radio Limited	Ordinary	100 %	Dormant
Devon Radio Limited	Ordinary	100 %	Dormant
Bauer Radio (Andover) Limited	Ordinary	100 %	Dormant
Bauer Radio (Southampton) Limited	Ordinary	100 %	Dormant
Ivel FM Limited	Ordinary	100 %	Dormant
Bauer Radio (South Devon) Limited	Ordinary	100 %	Dormant
Bauer Radio (Newbury) Limited	Ordinary	100 %	Dormant
CRB Audio Limited *	Ordinary	100 %	Dormant
Delta Radio Limited	Ordinary	100 %	Dormant
Kestral FM Limited	Ordinary	100 %	Dormant
Bauer Radio (BCR) Limited	Ordinary	100 %	Dormant
Bauer Radio (South West) Limited	Ordinary	100 %	Dormant
Vale FM Limited	Ordinary	100 %	Dormant
Compass Radio Limited *	Ordinary	100 %	Dormant
Dearne FM Limited *	Ordinary	100 %	Dormant
Planet Broadcasting Company Limited	Ordinary	100 %	Dormant
Ridings FM Limited *	Ordinary	100 %	Dormant
Rother FM Limited *	Ordinary	100 %	Dormant
Rutland Radio Limited *	Ordinary	100 %	Dormant
Trax FM Limited *	Ordinary	100 %	Dormant
Jet FM Limited	Ordinary	100 %	Dormant
Jupiter Radio Limited	Ordinary	100 %	Dormant
White Rose Radio Limited	Ordinary	100 %	Dormant
Lincs FM 102.2 Limited	Ordinary	100 %	Dormant
Compass FM Limited	Ordinary	100 %	Dormant
Suffolk First Limited	Ordinary	100 %	Dormant
Muxco Lincolnshire Limited	Ordinary	51 %	Digital Radio Services
UKRD Support and Development Limited *	Ordinary	100 %	Dormant

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

UKRD Group (EBT) Limited	Ordinary	100 %	Dormant
The Local Radio Company Limited	Ordinary	100 %	Dormant
Pirate FM Limited *	Ordinary	100 %	Dormant
Eagle Radio Limited *	Ordinary	100 %	Dormant
KLFM Limited *	Ordinary	100 %	Dormant
Minster Sound Radio (York) Limited *	Ordinary	100 %	Dormant
Mix 96 Limited*	Ordinary	100 %	Dormant
Spire FM Limited *	Ordinary	100 %	Dormant
Spirit FM Limited *	Ordinary	100 %	Dormant
Stray FM Limited*	Ordinary	100 %	Dormant
Wessex Broadcasting Limited*	Ordinary	100 %	Dormant
Yorkshire Coast Radio Limited*	Ordinary	100 %	Dormant
Encore Radio Limited*	Ordinary	100 %	Dormant
First Radio Sales Limited *	Ordinary	100 %	Dormant

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Name	Registered office
Bauer Golden Square Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, United Kingdom, PE2 6EA
Bauer Digital Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, United Kingdom, PE2 6EA
Bauer Group Secretariat Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Media Holding Oy	Tallberginkatu 1 C. 00180 Helsinki, Uusimaa, Finland
Bauer Media AS	Christian Michelsens gate 2A, 5012 Bergen, Norway
Bauer Media ApS	Mileparken 20A, DK-2740 Skovlunde, Denmark
Bauer Radio (West Midlands) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Kiss FM Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Magic 105.4 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Metro Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Key 103 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Piccadilly Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Planet Rock Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Radio Aire Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Radio City (Sound of Merseyside) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Radio Hallam Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Red Rose Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Scottish Radio Holdings Limited	Clydebank Business Park, Clydebank, G81 2RX
TFM Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Viking Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Orion Media Holdings Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer AR Holdings Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Absolute Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer AR Digital Radio Limited	Clydebank Business Park, Clydebank Business Park, Clydebank, G81 2RX
EG Digital Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Carlisle Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Downtown Radio Limited	Kiltonga Industrial Estate, Newtownards, Co Down, BT23 4ES

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Moray Firth Radio Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Northsound Radio Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Radio Borders Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Radio Clyde Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Radio Forth Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Radio Tay Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
South West Sound Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Vibe Radio Services Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Kiss 101 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Kiss 105-108 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Wave 105 FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
West Sound Radio Limited	Clydebank Business Park, Clydebank, Glasgow, G81 2RX
Jazz FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
CRB Audio Group Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Radiowave (Blackpool) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
102.4 Wish FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Lincs FM Group Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
UKRD Group Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Media Oy	Tallberginkatu 1, 00180 Helsinki, Finland
Kaimax Media Oy	Tallberginkatu 1, 00180 Helsinki, Finland
3N Radiot Oy	Tallberginkatu 1, 00180 Helsinki, Finland
Miracle Sound Oy	Tallberginkatu 1, 00180 Helsinki, Finland
Miracle Sound Oulu Oy	Asemakatu 25, 90100 Oulu, Finland
Kuunappi Radioliiketoiminta Oy	Tallberginkatu 1 C 00180 Helsinki, Finland
Oy Basso Media Ltd	Unioninkatu 25 00170 Helsinki, Finland
TuotantOyhtiö Manuscript Oy	Unioninkatu 25 00170 Helsinki, Finland
Orion Media Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Mercia Sound Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Radio Wyvern Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Beacon Broadcasting Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Orion Media (East Midlands) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Orion Trustee Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Midlands Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Capital Radio North East Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
BRMB Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Capital Radio Fun Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Border Radio Holdings Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Birmingham Broadcasting Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Capital Gold Birmingham Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Switchdigital (B&H) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Switchdigital (S&S) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Anglian Broadcasting Company (Holdings) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Anglian Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Mellow 1557 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
East Coast Radio (The Beach) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Town FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
North Norfolk Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
99.9 Radio Norwich Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (TRL) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Midwest Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Devon Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (Andover) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (Southampton) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Ivel FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (South Devon) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (Newbury) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
CRB Audio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Delta Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Kestral FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (BCR) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Bauer Radio (South West) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Vale FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Compass Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Dearne FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Planet Broadcasting Company Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Ridings FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Rother FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Rutland Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Trax FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Jet FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Jupiter Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
White Rose Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Lincs FM 102.2 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Compass FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Suffolk First Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Muxco Lincolnshire Limited	Greenworks Dog And Duck Yard, Princeton Street, London, England, WC1R 4BH
UKRD Support and Development Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
UKRD Group (EBT) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
The Local Radio Company Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Pirate FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Eagle Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
KLFM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Minster Sound Radio (York) Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Mix 96 Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Spire FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Spirit FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Stray FM Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Wessex Broadcasting Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Yorkshire Coast Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Encore Radio Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
First Radio Sales Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA

* These companies sold their trade and assets to fellow subsidiary companies in October or November 2020.

Participating interests

Fixed asset investments in Joint Ventures and Associates are unlisted and their market value can not be reliably determined. For this reason they have been measured at cost less accumulated impairment.

Joint ventures

Name	Registered address	Class of shares	Holding	Principal activity
CE Digital Limited	30 Leicester Square, London, WC2H 7LA	Ordinary	50%	Digital Radio Services
Octave IP Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA	Ordinary	50%	Advertising Sales
Muxco Surrey and North Sussex Limited	Greenworks Dog And Duck Yard, Princeton Street, London, England, WC1R 4BH	Ordinary	50%	Digital Radio Services
Muxco North Yorkshire Limited	Greenworks Dog And Duck Yard, Princeton Street, London, England, WC1R 4BH	Ordinary	50%	Digital Radio Services

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

16. Fixed asset investments (continued)

Associates

Name	Registered office	Class of shares	Holding	Principal activity
Independent Radio News Limited	Academic House, 24-28 Oval Road, London, NW1 7DJ	Ordinary	22%	Radio broadcasting
Sound Digital Limited	Media House Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA	Ordinary	30%	Digital Radio Services
Radiocentre Limited	55 New Oxford Street, 6th Floor, London, WC1A 1BS	Ordinary	32%	Radio broadcasting
Norsk Radio As	Akersgata 73, 0180 Oslo, Norway	Ordinary	33%	Radio broadcasting
FM 6 A/S	Mileparken 20, ADK-2740 Skovlunde, Denmark	Ordinary	40%	Radio broadcasting
Mediatäkojat Oy	Eastern Park 3, 28100 Pori, Finland	Ordinary	48%	Radio broadcasting
Turun Paikallisradio Oy	Tallberginkatu 1 C 00180 Helsinki, Finland	Ordinary	48%	Radio broadcasting
Muxco Suffolk Limited	Greenworks Dog And Duck Yard, Princeton Street, London, England, WC1R 4BH	Ordinary	33%	Digital Radio Services
Ipswich 102 Limited	St Hilary Transmitter, St. Hilary, Cowbridge, Vale Of Glamorgan, Wales, CF71 7DP	Ordinary	40%	Radio broadcasting
South West Digital Radio Limited	Crawley Court, Winchester, Hampshire, SO21 2QA	Ordinary	33%	Digital Radio Services

During March 2021 Bauer Media Holding Oy, a direct investment of the Company, increased its shareholding in Mediatäkojat Oy to 100%.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

17. Debtors: Amounts falling due within one year

	2020 £000	2019 £000
Due after more than one year		
Other debtors	3,664	310
	<u>3,664</u>	<u>310</u>
	2020 £000	2019 £000
Due within one year		
Trade debtors	39,088	30,245
Amounts owed by group undertakings	886	13,244
Other debtors	3,958	22,818
Prepayments and accrued income	15,092	14,615
Deferred taxation	1,123	1,039
	<u>60,147</u>	<u>81,961</u>

Amounts owed by other group undertakings are unsecured, interest free and are repayable on demand.

18. Current asset investments

	2020 £000	2019 £000
Investment in companies held separate under review	-	49,077
	<u>-</u>	<u>49,077</u>

During 2019 the Company acquired investments in several companies with the intention of holding them as fixed asset investments. At 31 December 2019 these investments were being held separate under CMA review. The CMA review concluded on 14 April 2020, and operational control passed to Bauer from this date. However, as this was subsequent to 31 December 2019 the investments made were held in current asset investments and during 2020 were transferred to fixed asset investments.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

19. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Trade creditors	918	542
Amounts owed to group undertakings	103,028	119,096
Other taxation and social security	9,811	9,180
Other creditors	10,634	5,772
Accruals and deferred income	6,314	7,444
	130,705	142,034

Amounts due to other group undertakings are unsecured and repayable on demand. They include amounts that are both interest free and interest bearing.

20. Deferred taxation debtor

	2020	2019
	£000	£000
At beginning of year	1,039	(541)
Charged to profit or loss	84	469
Transferred in from other group undertakings	-	1,111
At end of year	1,123	1,039

The deferred tax asset is made up as follows:

	2020	2019
	£000	£000
Accelerated capital allowances	272	268
Tax losses carried forward	673	602
Short term timing differences	178	169
	1,123	1,039

Deferred tax is provided where there is reasonable certainty over the recovery of the asset, with regards to future taxable profits. It is expected that there will be sufficient trading profits in the Company in the foreseeable future, against which the deferred tax assets will be utilised.

At the end of the financial period, the Company had additional losses carried forward of £4,000,000 (2019: £4,000,000) available for relief in a future period. No deferred tax has been recognised in respect of this relief.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

21. Provisions

	Property provision £000
At 1 January 2020	955
Charged to profit or loss	126
Utilised in year	(343)
At 31 December 2020	738

The property provision relates to either properties no longer occupied by the Company or an estimate of the amounts due to bring occupied properties back to condition at lease inception. The provision represents the best estimate of the future net cash outflow, expected to be incurred on either disposal of, or net rent shortfall incurred on each lease.

22. Called up share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
805,065,938 (2019: 805,065,938) Ordinary shares of £0.10 each	80,507	80,507

There is a single class of ordinary shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There are no restrictions on the distribution of dividends and the repayment of capital.

BAUER RADIO LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

23. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020	2019
	£000	£000
Land and buildings		
Not later than 1 year	869	887
Later than 1 year and not later than 5 years	1,107	1,169
Later than 5 years	4,997	4,836
	6,973	6,892
	2020	2019
	£000	£000
Other		
Not later than 1 year	17,191	16,074
Later than 1 year and not later than 5 years	43,422	52,736
Later than 5 years	12,239	17,421
	72,852	86,231

24. Related party transactions

At 31 December 2020 the Company owed to CE Digital Limited, a joint venture, £198,000 (2019: £255,000).

During the year the Company received a rebate of £2,023,000 (2019: £43,000) from an associate undertaking. At the year end £509,000 (2019: £550,000) was owed to the Company from the associate undertaking.

25. Controlling party

The immediate parent undertaking is HBVB, registered at Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA.

Heinrich Bauer Verlag KG, established at Burchardstraße 11, 20095 Hamburg, Germany, is regarded by the directors as the Company's ultimate controlling party.

The only parent undertaking for which group accounts are drawn up is Heinrich Bauer Verlag Beteiligungs GmbH, registered in Germany. Copies of Heinrich Bauer Verlag Beteiligungs GmbH accounts are publicly available from Burchardstraße 11, 20095 Hamburg, Germany.