

Registered number: 02826601

GLOBAL RADIO LONDON LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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GLOBAL RADIO LONDON LIMITED

COMPANY INFORMATION

Directors MD Connole (resigned 14 August 2015)
SG Miron
RFJ Park
DD Singer (appointed 9 November 2015)

Company secretary J Beak

Registered number 02826601

Registered office 30 Leicester Square
London
WC2H 7LA

GLOBAL RADIO LONDON LIMITED

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GLOBAL RADIO LONDON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2016

Introduction

The Directors present their Strategic report for the Company

Business review

The principal activity of the Company is that of a radio station. Turnover for the year ended 31 March 2016 amounted to £21,198,000 (2015 £20,960,000). The Directors expect the general level of activity to continue at current levels.

Principal risks and uncertainties

The Company is a subsidiary of This is Global Limited Group. From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The review of the business of This is Global Limited and its subsidiaries which provide an analysis of the main trends and factors likely to affect the development, performance and position of the business, and a description of the principal risks and uncertainties facing the business can be found in the Group financial statements of This is Global Limited.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany borrowings from other Group companies.

Market risk

The key risk to the business is that an advertising slowdown may put pressure on traditional revenues, and reduce the value of the investments held. The risk is monitored and managed through Group management.

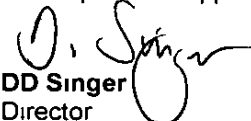
Interest rate risk

Interest rate risk arises from intercompany balances that bear interest at a fixed rate. The Directors have reviewed the Company's exposure to interest rates and have concluded that the risk is appropriate in relation to the financial results of the Company.

Financial key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The KPIs for the This is Global Limited Group can be found in the Annual Report of This is Global Limited, which is available to the public.

This report was approved by the board on 1 December 2016 and signed on its behalf


DD Singer
Director

GLOBAL RADIO LONDON LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The Directors present their report and the financial statements for the year ended 31 March 2016

Results and dividends

The profit for the year, after taxation, amounted to £5,706,000 (2015 - £6,769,000)

A dividend of £6,769,000 was paid during the year (2015 £28,922,000)

Directors

The Directors who served during the year were

MD Connole (resigned 14 August 2015)

SG Miron

RFJ Park

DD Singer (appointed 9 November 2015)

Future developments

The Directors confirm that, after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements. Further information around the assessment of going concern can be found on Note 2 of the financial statements.

Qualifying third party indemnity provisions

The Directors benefit from qualifying third party indemnity provisions in place.

Matters covered in the strategic report

An indication of likely future developments in the business of the Company, and financial risk management objectives and policies are included in the strategic report.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on 1 December 2016 and signed on its behalf



DD Singer
Director

GLOBAL RADIO LONDON LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GLOBAL RADIO LONDON LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Turnover	4	21,198	20,960
Operating charges		(14,495)	(13,550)
Operating profit	5	6,703	7,410
Interest receivable and similar income	8	480	1,158
Profit before tax		7,183	8,568
Tax on profit	9	(1,477)	(1,799)
Profit for the year		5,706	6,769

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income

There was no other comprehensive income for 2016 (2015 £000NIL)

The notes on pages 8 to 17 form part of these financial statements

GLOBAL RADIO LONDON LIMITED
REGISTERED NUMBER 02826601

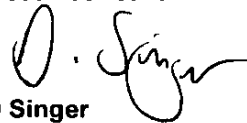
BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£000	2016 £000	2015 £000
Current assets				
Debtors amounts falling due within one year	11	6,160		7,225
Cash at bank and in hand	12	546		544
		<u>6,706</u>		<u>7,769</u>
Total assets less current liabilities			6,706	7,769
Net assets				
			<u>6,706</u>	<u>7,769</u>
Capital and reserves				
Called up share capital	14		1,000	1,000
Profit and loss account	15		5,706	6,769
			<u>6,706</u>	<u>7,769</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 Act") and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Act

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 1 December 2016


DD Singer
 Director

The notes on pages 8 to 17 form part of these financial statements

GLOBAL RADIO LONDON LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2015	1,000	6,769	7,769
Comprehensive income for the year			
Profit for the year	-	5,706	5,706
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	5,706	5,706
Dividends Equity capital	-	(6,769)	(6,769)
Total transactions with owners	-	(6,769)	(6,769)
At 31 March 2016	1,000	5,706	6,706

GLOBAL RADIO LONDON LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 April 2014	1,000	28,922	29,922
Comprehensive income for the year			
Profit for the year	-	6,769	6,769
	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	6,769	6,769
Dividends Equity capital	-	(28,922)	(28,922)
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	(28,922)	(28,922)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	1,000	6,769	7,769

The notes on pages 8 to 17 form part of these financial statements

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. General information

Global Radio London Limited (the "Company") is incorporated and domiciled in the United Kingdom

The principal activity of the Company is the production and transmission of radio programmes and the sale of radio advertising and sponsorship

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

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006

The preparation of financial statements in compliance with FRS 101 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 following principal accounting policies have been applied

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of
 - paragraph 79(a)(iv) of IAS 1,
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment,
 - paragraph 118(e) of IAS 38 Intangible Assets,
 - paragraphs 76 and 79(d) of IAS 40 Investment Property, and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the year ended 31 March 2016. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations as of 1 April 2015. These have not had any material impact on the financial statements.

- Amendments to IAS 27 Equity method in separate financial statements (effective 1 January 2016)
- Amendments to IAS 16 and IAS 38 Clarification of acceptable methods of depreciation and amortisation (effective 1 January 2016)
- Annual improvements to IFRSs 2010 – 2014 Cycle (effective 1 January 2016)
- Amendments to IAS 1 Disclosure initiatives (effective 1 January 2016)

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2 Accounting policies (continued)

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic report on page 1. The Company participates in the group centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The This is Global group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2019 ("the forecast"). The Board considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Company can continue to trade for the foreseeable future and operate within its new facility and the associated financial covenants.

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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer,
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- the amount of revenue can be measured reliably,
- it is probable that the Company will receive the consideration due under the transaction, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 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.

2.6 Cash and cash equivalents

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.

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.7 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.8 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.9 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 the Profit and loss account 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.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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.

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2 Accounting policies (continued)

2.11 Share capital and reserves

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.

Profit and loss account

Retained earnings includes the cumulative net gains and losses recognised in the profit and loss account.

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

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amount of assets, liabilities, income, expenses and other disclosures. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or further information. Such changes are recognised in the period in which the estimate is revised.

Key assumptions about the future and key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying value of assets and liabilities over the next year are set out below.

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 or 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.

4 Turnover

An analysis of turnover by class of business is as follows:

	2016 £000	2015 £000
Radio advertising	21,198	20,960
	<u>21,198</u>	<u>20,960</u>

All turnover arose within the United Kingdom.

GLOBAL RADIO LONDON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

5. Operating profit

For the year ending 31 March 2016 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

The audit fee in the prior year in respect of services to the Company and its associates, other than the audit of the Company's financial statements, was not disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, This is Global Limited. The audit fee in respect of the Company in the prior year was £1,000

During the year ended 31 March 2016 MD Connoles, DD Singer, SG Miron and RFJ Park received remuneration from Global Radio Services Limited and the majority of their time was spent on services to This is Global Limited, the ultimate parent company. Their remuneration as directors of This is Global Limited is disclosed in that company's financial statements. None of the Directors received remuneration in respect of qualifying services to the Company

6 Agency agreement

Global Radio Services Limited provided personnel and other services to the Company. The amounts included in 'operating charges' contain a charge for these services of £2,537,597 (2015: £2,564,902)

7. Employees

The Company did not directly employ any staff in the year (2015: nil)

8. Interest receivable

	2016 £000	2015 £000
Interest receivable from group companies	478	1,155
Other interest receivable	2	3
	480	1,158

GLOBAL RADIO LONDON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9 Taxation

	2016 £000	2015 £000
Corporation tax		
Current tax on profits for the year	1,437	1,799
	<u>1,437</u>	<u>1,799</u>
Total current tax	<u>1,437</u>	<u>1,799</u>
Deferred tax		
Origination and reversal of timing differences	40	-
Total deferred tax	<u>40</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>1,477</u>	<u>1,799</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - *the same as*) the standard rate of corporation tax in the UK of 20% (2015 - 21%) The differences are explained below

	2016 £000	2015 £000
Profit on ordinary activities before tax	7,183	8,568
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	1,437	1,799
Effects of:		
Short term timing difference leading to an increase (decrease) in taxation	40	-
Total tax charge for the year	<u>1,477</u>	<u>1,799</u>

Factors that may affect future tax charges

GLOBAL RADIO LONDON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9 Taxation (continued)

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the effective rate of 20% has been used in the computation of current tax. Further changes to the UK Corporation tax system were announced in the Summer 2015 Budget Statement. The 2015 Finance Act includes legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017, and then to reduce the corporation tax rate further from 19% to 18% from 1 April 2020. The reduction in tax rates was substantively enacted on 26 October 2015 and, therefore a tax rate of 18% has been used in these financial statements to measure the deferred tax assets and liabilities.

In the 2016 budget on 16 March 2016 it was announced that from 1 April 2020 the corporation tax rate would decrease to 17%. The 2016 budget had not been substantively enacted at the reporting date.

10 Dividends

	2016 £000	2015 £000
Dividends analysis - user input	6,769	28,922
	6,769	28,922

11 Debtors

	2016 £000	2015 £000
Amounts owed by group undertakings	5,800	6,824
Deferred taxation	360	401
	6,160	7,225

12 Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	546	544
	546	544

GLOBAL RADIO LONDON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13 Deferred taxation

	2016 £000
At beginning of year	401
Charged to the profit or loss	(40)
At end of year	361

The deferred tax asset is made up as follows

	2016 £000
Accelerated capital allowances	360
	360

14. Share capital

	2016 £000	2015 £000
Shares classified as equity		
Allotted, called up and fully paid		
1,000,000 Ordinary shares of £1 each	1,000	1,000

15 Reserves

Profit & loss account

Retained earnings includes the cumulative net gains and losses recognised in the profit and loss account

16. Contingent liabilities

Contingent liabilities as at the balance sheet date were as follows

a) An inter-group cross guarantee held by HSBC Bank plc (as agent) whereby the Company guarantees to meet the obligations of This is Global Limited under its banking facilities arrangements

b) A floating charge over the assets of the Company held by HSBC Bank plc (as agent) by way of debenture

c) The Company is a member of a group for VAT purposes, resulting in a joint and several liabilities for amounts owing by group undertakings for unpaid VAT

GLOBAL RADIO LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

17. Related party transactions

As the Company is a wholly owned subsidiary of This is Global Limited (the ultimate parent company) the Company has taken advantage of the exemption contained within FRS 101 8(k) and has therefore not disclosed transactions or balances with wholly owned group companies (or investees of the group qualifying as related parties) The consolidated financial statements of This is Global Limited, within which this Company is included, can be obtained from the address given below

18 Controlling party

The Directors regard Global Radio Holdings Limited, a company incorporated in Great Britain and registered in England and Wales, as the immediate parent company

The directors regard This is Global Limited, a company incorporated in Great Britain and registered in England and Wales, as the Company's ultimate parent undertaking

The Directors consider that Global Radio Group Limited, a company incorporated in Jersey, is the ultimate controlling party of the Company

The largest and smallest group in which the results of the company are consolidated is that headed by This is Global Limited, the ultimate parent company which is incorporated in Great Britain The consolidated financial statements of this company are available to the public and may be obtained from 30 Leicester Square, London WC2H 7LA

19 First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss