

Registered number:
03798969

REAL RADIO (YORKSHIRE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

THURSDAY



A5KX0V8B

A27

01/12/2016

#260

COMPANIES HOUSE

REAL RADIO (YORKSHIRE) LIMITED

COMPANY INFORMATION

Directors	CD Everitt MA Lee
Company secretary	CD Everitt
Registered number	03798969
Registered office	Laser House Waterfront Quay Salford Quays Manchester M50 3XW
Independent Auditors	KPMG Chartered Accountants & Statutory Auditors 1 Stokes Place St. Stephen's Green Dublin 2 Ireland

REAL RADIO (YORKSHIRE) LIMITED

CONTENTS

	Page
Strategic Report	2
Directors' Report	3 – 4
Independent Auditors' Report	5 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 21

REAL RADIO (YORKSHIRE) LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Directors present their Strategic Report for the Company.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Company is that of a radio broadcaster in Yorkshire under the Heart brand.

The profit for the 12 months ended 31 December 2015 before taxation was £925,000 (9 months to 31 December 2014: £387,000). Turnover for the 12 months ended 31 December 2015 was £5,056,000 (9 months to 31 December 2014: £3,114,000). The station reaches 389,000 adults aged 15+ each week and has a commercial market share within its broadcast area of 11.5% (Source: RAJAR December 2015).

The Directors are satisfied with the performance of the station during the year and will focus on growing its revenues and audiences through further marketing investment in the Heart brand.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is a subsidiary of Communicorp UK Limited. 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 principal risks in the view of the Directors are outlined below.

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 the Bank of England base rate +2%. 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

The business uses key performance indicators which are monitored on a regular basis and include audience trends such as weekly reach, listening hours, share of the market and demographic mix, as well as financial indicators such as turnover, EBITDA and operating margins. Variance analysis is performed monthly and variances are monitored and discussed within a formal meeting structure. Key performance indicators are included in the business review and future developments section of this report.

This report was approved by the board on 24 November 2016 and signed on its behalf.



CD Everitt
Director

REAL RADIO (YORKSHIRE) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Directors present their report and the financial statements for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

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;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results and dividends

The profit for the year, after taxation, amounted to £735,000 (2014: £305,000).

The Directors do not recommend payment of a dividend (December 2014: £Nil).

Directors

The directors who served during the year were:

CD Everitt
MA Lee

Future developments

Please refer to the business review and future developments statement in the strategic report on page 2.

REAL RADIO (YORKSHIRE) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Qualifying third party indemnity provisions

The Company has granted indemnity in favour of its Directors and officers against the financial exposure that they may incur in the context of their professional duties as Directors and officers of the company.

Subsequent events

Subsequent to the Statement of Financial Position date there have been no material events that have impacted the Company.

Political Donations

The Company made no political donations in the year ended 31 December 2015 (2014: Nil)

Disclosure of information to auditors

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

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

Auditors

The auditors, KPMG, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24 November 2016 and signed on its behalf.



CD Everitt
Director



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL RADIO (YORKSHIRE) LIMITED

We have audited the financial statements of Real Radio (Yorkshire) Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income account, the Statement of Financial Position, the Statement of Changes in Equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

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

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

We have nothing to report in respect of the above responsibilities.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REAL RADIO (YORKSHIRE) LIMITED
(continued)

Basis of our report, responsibilities and restrictions on use (continued)

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ryan McCarthy (Senior Statutory Auditor)

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Stokes Place

St. Stephen's Green

Dublin 2

Ireland

24 November 2016

REAL RADIO (YORKSHIRE) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

		31 December 2015 £	<i>9 months ended 31 December 2014 £000</i>
	Note		
Turnover	4	5,056	3,114
Cost of sales		(1,944)	(1,149)
Gross profit		3,112	1,965
Administrative expenses		(2,219)	(1,593)
Operating profit	5	893	372
Interest receivable and similar income	8	32	15
Profit before tax		925	387
Tax on profit	9	(190)	(82)
Profit for the year		<u>735</u>	<u>305</u>

There were no recognised gains and losses for 2015 or 2014 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2015 (2014: £NIL).

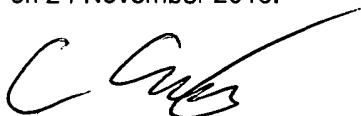
The notes on pages 10 to 21 form part of these financial statements.

REAL RADIO (YORKSHIRE) LIMITED
REGISTERED NUMBER: 03798969

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
Tangible assets	10	37	41
		<u>37</u>	<u>41</u>
Current assets			
Debtors	11	1,791	1,112
Cash at bank and in hand		184	110
		<u>1,975</u>	<u>1,222</u>
Creditors: amounts falling due within one year	12	(652)	(638)
Net current assets		<u>1,323</u>	<u>584</u>
Total assets less current liabilities		<u>1,360</u>	<u>625</u>
Net assets		<u><u>1,360</u></u>	<u><u>625</u></u>
Capital and reserves			
Called up share capital	14	1	1
Retained Earnings		1,359	624
		<u>1,360</u>	<u>625</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 November 2016.



CD Everitt
Director

The notes on pages 10 to 21 form part of these financial statements.

REAL RADIO (YORKSHIRE) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2015	1	624	625
Comprehensive income for the year			
Profit for the year	-	735	735
Total comprehensive income for the year	-	735	735
At 31 December 2015	<u>1</u>	<u>1,359</u>	<u>1,360</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE 9 MONTHS ENDED 31 DECEMBER 2014**

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 April 2014	1	319	320
Comprehensive income for the period			
Profit for the period	-	305	305
Total comprehensive income for the period	-	305	305
At 31 December 2014	<u>1</u>	<u>624</u>	<u>625</u>

The notes on pages 10 to 21 form part of these financial statements.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. General information

Real Radio (Yorkshire) Limited ('the company') is a private company and is incorporated and domiciled in the UK. The address of its registered office is Laser House, Waterfront Quay, Salford Quays, Manchester, England, M50 3XW.

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.

Information on the impact of first-time adoption of FRS 101 is given in note 18.

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).

First time application of FRS 100 and FRS 101

In the current year the Company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Consequently the principal accounting policies are unchanged from the prior period. The change in basis of preparation has enabled the Company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- a cash flow statement and related notes;
- an additional Statement of Financial Position for the beginning of the earliest comparative period following transition;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosure of related party transactions;
- disclosures in respect of the compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. Accounting policies (continued)

2.3 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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

2.4 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.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. Accounting policies (continued)

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.

Depreciation is provided on the following basis:

Studio and office equipment - 10% - 33%

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 within 'other operating income' in the Statement of Comprehensive Income.

2.5 Operating leases: Lessee

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

2.6 Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit or loss. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the Statement of Comprehensive Income account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

2.7 Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

2.8 Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. Accounting policies (continued)

2.9 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 payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 Statement of Financial Position 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 Statement of Financial Position 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 Statement of Financial Position date.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Useful economic lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 2.4 for the useful economic lives for each class of assets.

(b) Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. See note 11 for the net carrying amount of the receivables.

4. Analysis of turnover

All turnover arose within the United Kingdom and the Directors consider there to be only one operating segment in the business.

5. Operating profit

The operating profit is stated after charging:

	31 December 2015 £000	<i>9 months ended 31 December 2014 £000</i>
Depreciation of tangible fixed assets	5	12
Operating Leases	306	175
Auditors remuneration	<u>4</u>	<u>4</u>

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. Employees

Staff costs were as follows:

	31 December 2015 £000	<i>9 months ended 31 December 2014 £000</i>
Wages and salaries	588	457
Social security costs	65	54
Cost of defined contribution scheme	24	20
	677	531

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

	31 December 2015 No.	<i>9 months ended 31 December 2014 No.</i>
Administration	2	2
Sales	10	11
	12	13

7. Directors' remuneration

The emoluments of the Directors are paid by the immediate parent company Communicorp UK Limited and recharged to the Company. In the year ended 31 December 2015 the amount recharged was £108,600 (9 months ended 31 December 2014: £57,200), including £70,900 for the highest paid Director (9 months ended 31 December 2014: £36,400). The actual emoluments received by the Directors are disclosed in the financial statements of Communicorp UK Limited.

REAL RADIO (YORKSHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

8. Interest receivable

	31 December 2015 £000	9 months ended 31 December 2014 £000
Interest receivable from group companies	32	15
	<u>32</u>	<u>15</u>

9. Taxation

	31 December 2015 £000	9 months ended 31 December 2014 £000
Corporation tax		
Current tax on profits for the year	183	79
Total current tax	<u>183</u>	<u>79</u>
Deferred tax		
Current Year	5	4
Adjustments in respect of prior periods	-	(1)
Effect of changes to tax rates	2	-
Total deferred tax	<u>7</u>	<u>3</u>
Taxation on profit on ordinary activities	<u>190</u>	<u>82</u>

REAL RADIO (YORKSHIRE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. Taxation (continued)

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2014 - *higher than*) the standard rate of corporation tax in the UK of 20.25% (2014 - 21%). The differences are explained below:

	31 December 2015 £000	9 months ended —31 December 2014 £000
Profit on ordinary activities before tax	<u>925</u>	<u>387</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21%)	187	81
Effects of:		
Expenses not deductible for tax purposes	-	1
Tax rate changes	3	-
Total tax charge for the year/period	<u>190</u>	<u>82</u>

Factors that may affect future tax charges

On 8 July 2015 the Chancellor announced the reduction of the main rate of Corporation tax from 1 April 2017 to 19% and a subsequent reduction to 18% from 1 April 2020. On 16 March 2016 the Chancellor announced a revision to the rate from 1 April 2020 reducing it further to 17%. As these changes have not been substantively enacted at the Statement of Financial Position date their effects are not included in these financial statements. The overall effect of these changes, if they had been applied to the deferred tax balance at the Statement of Financial Position date, are not considered to be significant.

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. Tangible fixed assets

	Motor vehicles	Studio and Office equipment	Total
	£000	£000	£000
Cost or valuation			
At 1 January 2015	34	38	72
Additions		1	1
At 31 December 2015	34	39	73
Depreciation			
At 1 January 2015	6	25	31
Charge for the period	2	3	5
At 31 December 2015	8	28	36
Net book value			
At 31 December 2015	26	11	37
At 31 December 2014	28	13	41

<p>REAL RADIO (YORKSHIRE) LIMITED</p>
--

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. Debtors

	2015 £000	2014 £000
Trade debtors	242	214
Amounts owed by group undertakings	1,463	820
Prepayments and accrued income	65	50
Deferred taxation	21	28
	<u>1,791</u>	<u>1,112</u>

Amounts owed by group undertakings, excluding group relief payable, are unsecured, bear interest at the Bank of England base rate +2% and are repayable on demand.

12. Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	4	15
Corporation tax	154	139
Other creditors	4	4
Accruals and deferred income	490	480
	<u>652</u>	<u>638</u>

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. Deferred taxation

	Deferred tax £000
At 1 January 2015	28
Charged to the profit or loss	(7)
At 31 December 2015	<u>21</u>

	Deferred tax £000
At 1 April 2014	31
Charged to the profit or loss	(3)
At 31 December 2014	<u>28</u>

The deferred tax asset is made up as follows:

	2015 £000	2014 £000
Fixed assets timing differences	21	28
	<u>21</u>	<u>28</u>

14. Share capital

	2015 £000	2014 £000
Authorised, Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each (December 2014: 1,000).	<u>1</u>	<u>1</u>

REAL RADIO (YORKSHIRE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

15. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £000	2014 £000
Not later than 1 year	341	344
Later than 1 year and not later than 5 years	860	810
Later than 5 years	749	921
Total	1,950	2,075

16. Related party transactions

The company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with entities which form part of the Communicorp Group (or investees of the Group qualifying as related parties).

17. Controlling party

Communicorp UK Limited, a company incorporated in Great Britain and registered in Northern Ireland, is the Company's immediate and intermediate parent undertaking. The Directors consider that Communicorp Group Limited, a company incorporated in the Republic of Ireland, is the ultimate controlling party of the Company.

The Company's ultimate parent undertaking is Communicorp Group Limited, a Company incorporated in the Republic of Ireland. The largest and smallest group in which the results of the Company are consolidated is that headed by Communicorp Group Limited and the consolidated financial statements are available from the offices of that Company.

18. 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.

19. Subsequent events

Subsequent to the date of the Statement of Financial Position there have been no material events that have impacted the Company.