TELEGRAPH MEDIA GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED

1 JANUARY 2023

DIRECTORS

N D Hugh
S H Welch
B C Wentink

REGISTERED OFFICE

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London
SW1W 0DT

REGISTERED NUMBER

00451593

INDEPENDENT AUDITORS

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COUNTRY OF INCORPORATION

England and Wales

CONTENTS

STRATEGIC REPORT

The directors present their Strategic Report of Telegraph Media Group Limited ("the Company") for the period ended 1 January 2023.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company, a private company limited by shares, is multi-platform news publishing, including The Daily Telegraph, The Sunday Telegraph, telegraph.co.uk (together "Telegraph"), digital apps for tablet and smartphone and via third party platforms.

The Company continues to focus on its subscription-first strategy, and has made further progress towards the strategic goal of achieving 1 million subscriptions, with total subscriptions increasing by 2% (2021: 28%) in 2022 to reach 734k at December 2022 (December 2021: 720k).

In 2022 turnover was £254.2m (2021: £245.0m), the increase largely due to growth in digital subscriptions. Revenue from digital subscriptions increased by 31% to £57.9m in 2022 (2021: £44.1m), with digital subscription volumes reaching 587k in December 2022 (2021: 545k). Revenue from print subscriptions increased by 4% in 2022 to £71.6m (2021: £68.6m). Other revenue rose by 14% to £23.4m (2021: £20.5m), due to increases in commerce. These increases were partially offset by decreases in print advertising and circulation revenue, which fell by £7.8m and £3.3m respectively.

Operating profit before exceptional items increased by 20% to £40.1m in 2022 (2021: £33.3m). This substantial improvement is driven by the significant growth in digital subscription revenue, partly offset by the decline in advertising and circulation revenues and substantial newsprint paper cost increases; although this is a non-GAAP measure, management monitor this as a core metric to track underlying business performance. The nature of exceptional items is disclosed in note 3. The retained profit for the financial period was £33.3m (2021: £25.9m). The results of the Company for the financial period are set out in the Statement of Comprehensive Income on page 15. No dividends were declared or paid during the period (2021: £nil). As at 1 January 2023, the Company has a net asset balance of £217.6m (2021: £184.3m), and a cash balance of £42.2m (2021: £33.6m).

KEY PERFORMANCE INDICATORS (KPIs)

Management monitor the financial and non-financial performance of the Company through a series of KPIs, including the following:

Financial	**2022**	**2021**
Turnover	£254.2m	£245.0m
EBITDA before exceptional items[1]	£46.8m	£40.4m
Operating profit before exceptional items	£40.1m	£33.3m
Operating profit	£40.3m	£30.7m
Retained profit for the financial period	£33.3m	£25.9m
Non-Financial[2]		
Total subscriptions in December	733,731	720,250
Digital subscriptions in December	586,867	544,911
Print subscriptions in December	146,864	175,339
ARPS[3] in December, blended average across print and digital	£175	£175

[1] EBITDA before exceptional items is defined as operating profit from continuing operations before amortisation of intangible assets, depreciation, and exceptional items, and is reconciled within note 3.

[2] The non-financial KPIs for subscription volumes and ARPS are independently assured. A separate PwC team perform agreed upon procedures over the non-financial KPIs for subscription volumes and ARPS. These are published regularly. Details can be found at corporate.telegraph.co.uk.

[3] Average Revenue Per Subscriber.

STRATEGIC REPORT – CONTINUED

FUTURE DEVELOPMENTS

The Company remains fully committed to delivering and investing in high quality, trusted, award-winning journalism, 24 hours a day across print and digital platforms.

The Company expects the environment it operates in to remain challenging. Many of the fundamental changes in the industry are now well established, including the need to constantly adapt to how consumers engage with digital content, whilst regulatory developments around ePrivacy and the use and tracking of cookies will continue to be monitored closely. The Covid-19 pandemic has exacerbated the continuing structural decline in print circulation and print advertising revenue, and global uncertainty and economic pressures including newsprint paper price increases have contributed to the increasingly challenging environment in which the Company operates.

Considering these trends and market conditions, the significant progress that has been made in growing subscriptions has reaffirmed the Company's commitment to its subscription-first strategy. The Company's transformation programme ensures the right investments will be made to drive subscriptions growth and allow the business to adapt to market trends; this programme includes ongoing investment in journalism, the newsroom, data, digital products and the subscriber experience.

The directors are confident that the Company is well placed to compete effectively, strengthen its financial position, and will continue to deliver the high quality, trusted, award-winning journalism that is now more important than ever.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company adopts a strategically aligned approach to risk management, considering significant risks to strategic and operational delivery and defining comprehensive mitigation strategies and controls appropriately. The Company operates a formal, quarterly risk management process, where the Executive Team and directors complete a robust assessment of the principal risks. Principal risk themes are presented with a high-level overview of the mitigation approach.

Strategic

Risk	Mitigation
Brand and Reputation - protecting the Company's brand is important in maintaining reputation and trust with subscribers, readers, customers and other stakeholders. Events or incidents undermining the brand, either internal or external, could impede the Company's ability to achieve its strategic objectives.	A multi-faceted approach to reputational management is adopted, including proactive and reactive components. Company policies and frameworks, including editorial, legal and risk codes, support staff awareness of procedural and regulatory requirements and expectations.
Economic and geopolitical uncertainty - financial results could be adversely impacted by external factors outside the Company's control, such as inflation, regulation and/or Government policy and market changes.	The Company monitors external developments, considering the implications on business direction and adapting accordingly. The economic crisis and war in Ukraine continues to develop and the Company monitors and responds to events appropriately.
Financial sustainability - delivery of the strategic plan and increasing Company profitability and cash generation.	The Company's subscription-first strategy and active transformation programme, with inbuilt cost efficiencies and resilience supported by an optimised business model, will strengthen the financial position enabling continued growth and engagement with subscribers. Frequent performance monitoring and scenario analysis allow the Company to be responsive to emerging threats and opportunities.

STRATEGIC REPORT - CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES – CONTINUED

Operations

Risk	Mitigation
Print Supply – End to end print supply chain disruption adversely impacts costs and profitability (example - paper cost increases) including any consequential impacts to the industry.	The Company continues to monitor and respond to newsprint inflation, in common with the sector, developing plans to ensure inbuilt resilience in the supply chain, and continuing the subscription first strategy.
Business interruption - the Company could suffer significant disruption to its operations or supply chain, threatening continuity, reputation and financial performance. This risk could incorporate a broad range of incidents, whether pandemic, IT infrastructure or services, or an act of terrorism.	The Company has a tested approach to Business Continuity and Crisis Management to respond to different scenarios across the organisation and its supply chain. The Covid-19 pandemic proved the Company's resilience in its ability to respond rapidly and stay on track.
Cyber and Data - the Company could suffer significant business interruption due to a cyber-attack or security vulnerability and be subsequently exposed due to weaknesses in information governance with financial and reputational impacts.	The Company adopts standardised security practices, methodologies and governance to support and protect the integrity of systems and data, exploring opportunities for improvement. The Company gains assurance from periodic independent oversight, testing and specialist audits whilst the Data Protection Officer provides assurance that the business operates in line with regulatory requirements.
Regulatory and governance - the Company operates globally with increasing regulatory complexity.	The Company reviews its regulatory risk quarterly, or by exception, as necessary. Clear governance oversight is established with access to specific expertise as required. Environmental compliance is critical, reflecting increasing regulatory requirements and the Company's commitment to environmental sustainability.

People

Risk	Mitigation
Health, Safety and Wellbeing - the health, safety and wellbeing of staff is a key priority, whether in the UK or overseas. Staff mental health, wellbeing, engagement and productivity remain areas of focus. Journalists work overseas in high risk environments with threats to safety and security requiring proactive risk management.	The Human Resources department supports the health and wellbeing of staff with frequent engagement and communication to promote staff wellbeing and support mechanisms to manage stress. The Company operates in line with Government guidance and safety regulations. Specific policies and procedures are in place to manage threats to journalists working in high risk operating environments, with Crisis Management procedures in place.
Recruiting and retaining people with the right skills - optimising the balance of people and succession planning in a transformative environment is critical to the growth and implementation of the strategy, sustaining existing profitability whilst continuing to develop a new model for the future.	Promoting staff wellbeing and development with frequent staff communication is key. The Company offers a range of staff benefits, maintains competitive pay and reward policies and continually evolves talent recruitment and retention strategies.

STRATEGIC REPORT - CONTINUED

SECTION 172 STATEMENT

The directors must act in accordance with a set of general duties outlined in Section 172 of the Companies Act 2006. The directors must demonstrate that they act in good faith and promote the success of the Company for the benefit of its stakeholders. Examples of how the directors respond to these requirements are:

Section 172: The likely consequences of any decision in the long term

The Company's Strategic Plan is closely monitored by the directors and Executive Team, with weekly Executive and monthly directors' performance reporting, together with iterative consideration of risks and opportunities throughout the year.

Section 172: The interests of the Company's employees

The Company's employees and values are central to the Company's ethos: fearless, together, informed and open-minded. Regular communication and engagement are achieved verbally and through online channels including "Town Hall" meetings and the intranet. Employee networks play an integral role in offering support to colleagues whilst fostering a greater sense of inclusion and belonging across the Company; active employee networks include Out Loud (LGBTQ+), Ethnic and Cultural Diversity, Able (equal opportunities), Wellbeing (supporting wellbeing in the workplace), Working Families and Women. Further examples of employee engagement can be found in the Employee Engagement section of the Directors' Report.

The health, safety and wellbeing of the Company's employees is a top priority, with a continued focus on mental health through 2022. The Company fosters an Integrated approach to health and wellbeing with a range of services and benefits to support employees, an active Employee Assistance Programme, and in excess of 50 Mental Health First Aiders. The Company's approach and policy framework supports a broad range of regulatory requirements common to the media sector and appropriate controls are in place to protect employees working in the UK and overseas.

The Company is committed to building a high-performance culture and recognising the achievement of world-class standards in journalism. Employees are supported in developing their careers and learning new skills through The Academy, the Company's internal learning and development scheme. The Company develops its leaders through the delivery of Be a Better Boss Programme and a new Leadership Programme, continuing to invest in new talent through its long-standing apprenticeship, graduate, internship and work experience programmes. Care is given to attract participants from diverse backgrounds through comprehensive diversity and inclusion-related partnerships and policies.

The Company is committed to Diversity, Inclusion and Belonging, creating a sustainable culture of inclusion for its employees. Investment in support activities to reduce the gender pay gap and narrowing the ethnicity pay gap are key goals. The gender pay gap decreased in 2022, with a mean figure of 24.8% (down 1.3% compared to April 2021) and median figure of 17.1% (down 4% compared to April 2021). Our ethnicity pay gap had a decreased median of 3.7% (down 3.8% compared to April 2021) and an increased mean of 25.3% (up 3.9% compared to April 2021).

Section 172: The need to foster the Company's business relationships with suppliers, customers and others

The Telegraph's readership is key to its success and the Company invests in developing the right forums and experiences to connect audiences to journalists. A core part of the subscription-first strategy is to build greater and deeper connections with readers and customers at scale and use insights from these connections to develop the journalism offered. Direct engagement with readers through different channels is achieved through regular forums, focus groups, newsletters, "Letters to the Editor", online subscriber community comments, emails and Telegraph Live events, showcasing The Telegraph's best content.

STRATEGIC REPORT - CONTINUED

SECTION 172 STATEMENT - CONTINUED

The Company has categorised several suppliers as strategic, with whom regular meetings take place to discuss strategic and value alignment and performance. These meetings are attended by relevant employees and this activity is key to fostering mutually beneficial business relationships. Business critical contracts are reviewed on a monthly or quarterly basis with Executive Team representation. The Procurement Policy promotes an ethical approach to business and Corporate Social Responsibility with respect to supplier management. The Code of Conduct demands high standards of conduct from all employees to foster best practice and broader engagement in business relationships.

Section 172: The impact of the Company's operations on the community and the environment

The Company is committed to advancing sustainable initiatives across the business and in its editorial coverage, as well as promoting environmentally conscious behaviours in the workplace, recognising its responsibility to consider Company impacts on the environment through direct operations and indirectly through the supply chain.

The Telegraph's 2022 Christmas Charity Appeal supported 4 charities: Action for Children, Age UK, MacMillan and Royal British Legion Industries and raised £726,000. The Telegraph's Annual Charity Appeal launched in 1986 and has raised close to £30m to date.

The Telegraph encourages volunteering in the community with a policy offering employees two days of paid volunteering per year; in 2022 the Telegraph organised several volunteering events but also allowed employees flexibility in arranging their own volunteering opportunities.

In March 2021, The Telegraph launched a Media Literacy Programme for 16 to 18 year olds, investing in the future of journalism and is committed to helping young people navigate the media landscape. Since the outset, the programme has been rolled out to over 150 students from diverse backgrounds via an online four-week course.

Section 172: The desirability of the Company maintaining a reputation for high standards of business conduct, and the need to act fairly between members of the Company

The Telegraph has a strong brand and it is critical to uphold the brand and reputation of the Company. The Company has a clear Code of Conduct and framework of policies and procedures to support the highest standards of business conduct, integrity and adherence to regulatory requirements, fostering fairness amongst members of the Company and its stakeholders.

On behalf of the Board

N D Hugh
Director
14 July 2023

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the financial period ended 1 January 2023.

The Company has chosen in accordance with Section 414c (11) of the Companies Act 2006 to include such matters of strategic importance to the Company in the Strategic Report which would otherwise be required to be disclosed in the Directors' Report. These matters include commentary on future developments and disclosures in relation to dividends.

DIRECTORS

The directors who held office during the period and up to the date of approval of the financial statements unless otherwise indicated were as follows:

S H Welch	(appointed 7 June 2023)
B C Wentink	(appointed 7 June 2023)
A S Barclay	(resigned 7 June 2023)
H M Barclay	(resigned 7 June 2023)
N D Hugh	
R J Neal	(resigned 12 June 2023)
P L Peters	(resigned 7 June 2023)

The Company has entered into qualifying third-party indemnity arrangements for the benefit of all its directors, which were in force during the financial period and at the approval date of the financial statements.

POST BALANCE SHEET EVENTS

The Company's immediate parent company is Press Acquisitions Limited, incorporated in England. The directors understand that Press Acquisitions Limited's ultimate shareholder is the Sir David and Sir Frederick Barclay Family Settlements. The directors do not consider the ultimate beneficial owners of the Company to have changed but it is noted that Mr Alastair Beveridge and Mr Benjamin Browne of AlixPartners Services UK LLP were appointed as receivers over the shares of B.UK. Limited (incorporated in Bermuda) on 15 May 2023. The Company and Press Acquisitions Limited are each indirect subsidiaries of B.UK. Limited. The receivers control the voting rights in respect of the shares of B.UK. Limited and therefore have indirect shareholder control of the Company.

The Receivers' appointment over the shares in B.UK. Limited is in no way related to the financial health or performance of Press Acquisitions Limited or Telegraph Media Group Limited and the day to day running of all operating subsidiaries held by B.UK. Limited will continue as normal.

Telegraph Media Group Limited is partially financed by an inter-company arrangement with Press Acquisitions Limited. Press Acquisitions Limited hold an external loan facility agreement with Lloyds Banking Group, to which Telegraph Media Group Limited is also a borrower and guarantor, of which £63m is drawn down at the period end and £55.0m is drawn down at the date of the approval of the financial statements. On 5 July 2023 the maturity date of the Term Loan and RCF facilities was extended from 30 September 2023 to 31 December 2024.

On 28 March 2023, Telegraph Media Group Limited announced it had acquired The Chelsea Magazine Company Limited (CMC), an independent publisher of lifestyle content. Founded in 2007 by Paul Dobson, CMC offers a portfolio of specialist consumer brands including The English Home, The English Garden, Artists & Illustrators, Classic Boat and Britain. The portfolio offers print and digital subscriptions and reaches a combined monthly audience of 2.5 million in the UK and abroad.

DIRECTORS' REPORT – CONTINUED

GOING CONCERN

The financial statements have been prepared under the going concern assumption and the basis is set out in note 1(c) to the financial statements.

In line with the Companies Act 2006, the Directors have undertaken an exercise to review the appropriateness of the continued use of the Going Concern basis.

On 15 May 2023, Bank of Scotland, pursuant to the terms of a share charge securing a loan to Penultimate Investment Holdings Limited (PIHL), a holding company within the PIHL Group which indirectly owns Press Acquisitions Limited and its Subsidiaries including Telegraph Media Group Limited, appointed Alastair Beveridge and Ben Browne of AlixPartners as receivers ("the Receivers") of the shares of B.UK. Limited owned by PIHL. Following their appointment, the Receivers initiated changes to the board of B.UK. Limited. In turn the Directors to the board of B.UK. Limited initiated changes to the boards of Press Holdings Limited, May Corporation Limited, Press Acquisitions Limited and Telegraph Media Group Limited. Independent directors, Stephen Welch and Boudewijn Wentink were appointed to the boards of Press Acquisitions Limited and Telegraph Media Group Limited. Aidan Barclay, Howard Barclay and Philip Peters were removed as directors of both entities. Richard Neal was removed from the Board of Press Acquisitions Limited and subsequently resigned from the Board of Telegraph Media Group. Nick Hugh continues to serve as a Director of Telegraph Media Group Limited.

Since the appointment of Receivers and changes in Directors, the Company has continued to trade in the normal course, in line with management's profit and cash flow forecasts.

The Company is partially financed by its parent company, Press Acquisitions Limited. Press Acquisitions Limited holds an external loan facility agreement with Lloyds Banking Group. The maturity date of the Term Loan and RCF facilities has been extended from 30 September 2023 to 31 December 2024, however the directors will continue to review the facility on an ongoing basis.

In preparing the financial statements the directors have considered the Company's ability to meet its debts as they fall due for a period of at least 12 months from the approval of the financial statements, especially in light of the current economic uncertainty associated with various factors including high inflation, pressures on household finances and increased energy costs.

Given the current economic uncertainty referred to above a severe but plausible downside has been considered as follows:

- a potential severe downturn in total revenue of 10% reduction in revenue and 28% reduction in EBITDA pre-exceptionals compared to 2023 Budget and a 6% reduction in 2023 revenue and 22% reduction in EBITDA pre-exceptionals versus 2022 - however, the ongoing and successful implementation of the subscription-first strategy reduces the dependence on variable advertising and commerce revenues, offset by associated reductions in variable costs; and
- in assessing this severe but plausible downside scenario, the directors also considered potential mitigating actions within their control, such as restricting capital expenditure and working capital management.

This would not impact the going concern assessment. The Directors are comfortable there is sufficient headroom in liquidity and covenants throughout the going concern period.

Based upon the above, the Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

However, the Directors are exploring their options, including the option of a potential sale of the Company, at the date of the approval of the financial statements. The Directors are not aware of any current concerns regarding the ability of the Company to operate as a going concern after a potential sale. But the fact that the Directors do not have information about the identity or future plans of potential new owners, including any financing arrangements, indicates a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Notwithstanding this uncertainty, the Directors are satisfied that the going concern basis remains appropriate for the preparation of the Company's financial statements. The financial statements do not include adjustments that would result if the Company was unable to continue as a going concern.

DIRECTORS' REPORT - CONTINUED

EMPLOYEE ENGAGEMENT

The commitment, innovation and drive of our employees are core to the ongoing development and success of the business. The Company pursues a policy of equal opportunities for all employees and potential employees, including disabled persons. The Company has Disability Confident Employment Level 2 status; and is committed to making all reasonable adjustments for people with disabilities, enabling them to thrive in their roles, and creating an inclusive culture for all.

The Company continues to provide a competitive range of benefits to employees, including the opportunity to join the Company-wide defined contribution pension scheme, private medical scheme and other wellbeing initiatives, providing employees with greater flexibility in their work-life choices. The Company continues to offer career enhancement to its employees by way of relevant management and personal development courses, with the aim of ensuring that staff have the right skills to operate in the digital landscape. Apprenticeships, internships and work experience policies are in place to ensure that the Company offers high quality opportunities to attract applicants from all backgrounds, to ensure fair and equitable access into the business.

Consultation with employees or their representatives continues at all levels, with the aim of ensuring that their views are taken into account, within the limitations of commercial confidentiality, when decisions are made that are likely to affect their interests. All employees are aware of the Company's vision, purpose and strategy and of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through regular management briefings, staff surveys and the Telegraph intranet.

Further information on employee and other stakeholder engagement is included in the Section 172 Statement of the Strategic Report.

DONATIONS

During the financial period the Company made charitable donations of £7k (2021: £7k) which were to charities associated with the business. The Company made no political donations (2021: £nil).

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

The Company recognises the importance of its environmental responsibilities and is committed to continuous improvement in measuring and monitoring social and environmental impact.

The following tables present the Company's energy consumption, greenhouse gas emissions and chosen intensity metric for its UK-based operations.

	2022	2021	2020
Total energy consumption (kWh)	**3,121,473**	2,860,232	3,622,091
Emissions (tCO_2e)			
Scope 1			
Emissions from consumption of gas	**27.7**	51.4	89.8
Emissions from combustion of fuel for transport purposes	**9.1**	12.3	17.5
Scope 2			
Emissions from purchased electricity - location based	**537.5**	514.7	709.7
Emissions from company electric vehicles	**1.6**	0.7	-

DIRECTORS' REPORT – CONTINUED

Scope 3			
Emissions from business travel in rental cars or employee vehicles where the company purchases the fuel	**36.3**	25.6	14.5
Scope 1, 2 & 3 Emissions	**612.2**	604.7	831.5
Intensity Ratio			
Revenue (£m)	**254.2**	245.0	235.2
Total Scope 1, 2 & 3 Emissions per £1m	**2.4 tCO_2e**	2.5 tCO_2e	3.5 tCO_2e

The principal reasons for the increase in energy consumption in 2022 are the higher overall building occupancy and the reintroduction of out of hours air conditioning to mitigate high temperatures in the London headquarters throughout the summer increasing electricity usage. In addition, business travel increased post COVID restrictions. Increases were partly offset by reductions in gas and electricity usage due to the exit of the Chatham site in March 2022.

The Company's emissions are calculated in line with the Greenhouse Gas ("GHG") Protocol Corporate Accounting and Reporting Standard (revised edition). The boundaries of the GHG inventory are defined using the operational control approach and cover the emissions the Company is responsible for across Scope 1, 2 and Scope 3 business within the UK. The emissions are calculated using the emissions factors for 2022 published by the Department for Business, Energy & Industrial Strategy.

The Company has gathered building consumption information from engaging with the landlords of its occupied premises. Where this data was not available it was estimated in line with the SECR guidance. The transport figures have been estimated in line with the GHG Protocol from employees' expensed mileage using the distance-based estimation method where data is available and the spend based estimation method where detailed car type data is not available. Most of the Company's energy consumption comes from the use of electricity in its headquarters in London.

DIRECTORS' REPORT - CONTINUED

We assessed climate change risks during 2022 and have not identified any significant material risks driven directly by climate change. In line with the sector, we are exposed to increased energy costs due to market volatility, driven by several factors, and impacting our newsprint costs. We would experience impacts to revenue if the UK Government introduces carbon pricing mechanisms in the future. Our digital first strategy continues to support us in our sustainability journey.

ENERGY EFFICIENCY

The Company considers its environmental impact and initiatives to reduce energy consumption through its offices, technology procurement and partnering, and through its printing and distribution supply chain which operate to high environmental standards. Examples of actions to increase the energy efficiency of the Company's operations in 2022 are:

- For the Company's London headquarters, sourcing electricity and gas from renewable sources with a target to reduce energy consumption year on year aligns with the sustainable objectives and the Landlord's ISO14001 accreditation.
- The Landlord monitors building energy use and occupancy, optimising energy efficiency across the building.
- IT initiatives are in place including reducing printing and shifting to digital where possible, purchasing energy efficient IT equipment and the use of cloud technology to reduce onsite carbon footprint.

FINANCIAL RISK MANAGEMENT

Currency transaction risk is not substantial, as most of the Company's revenue and costs are transacted in Sterling.

TMG's direct parent Press Acquisitions Limited holds loan arrangements which are its largest exposure to interest rate risk. The Bank of England's Bank Rate increased by 3.25% in 2022, from 0.25% to 3.5%, whilst bank rate increases have led to a higher borrowing costs the Company is able to comfortably service these costs where they have been apportioned. The directors consider interest rate risk to be low.

The Company's credit risk is primarily attributable to its trade receivables, which is mitigated by regular reviews of customer balances and their contractual payment terms. The amounts presented in the Balance Sheet are net of allowances for doubtful debts, estimated on prior experience and assessment of the current economic climate.

Liquidity risk arises from timing differences between cash inflows and outflows. These risks are managed through maintaining adequate credit facilities. It is standard policy to maintain sufficient cash balances and committed facilities to meet anticipated future requirements. These resources, together with the expected future cash flows to be generated by the business, are regarded as sufficient to meet the anticipated funding requirements of the Company for at least the next twelve months from the date of signing the financial statements.

Further to the appointment of the independent Directors on 7 June 2023, TMG has continued to trade well, and the directors remain confident in the strategic approach and expect profitability to further increase in 2023.

DIRECTORS' REPORT – CONTINUED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The 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.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the directors' report is approved:

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

INDEPENDENT AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

On behalf of the Board

N D Hugh
Director
14 July 2023

Independent auditors' report to the members of Telegraph Media Group Limited

Report on the audit of the financial statements

Opinion

In our opinion, Telegraph Media Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 1 January 2023 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 1 January 2023; the Statement of Comprehensive Income, and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1(c) to the financial statements concerning the company's ability to continue as a going concern. As explained in note 1(c), B.UK, a holding company within the Penultimate Investment Holdings Limited (PIHL) Group which indirectly owns Press Acquisitions Limited and its subsidiaries including Telegraph Media Group Limited has been placed into receivership. Following their appointment, the Receivers initiated changes to the Board of certain subsidiaries. New independent Directors have been appointed to the board of Press Acquisitions Limited and Telegraph Media Group Limited replacing the existing directors. At the date of approving the financial statements the new Directors are exploring options which include the potential sale of the company. The Directors are not aware of any current concerns regarding the ability of the company to operate as a going concern after a potential sale, however, they do not have information about the identity or future plans, including any financing arrangements, of the potential new owners. These conditions, along with the other matters explained in note 1(c) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

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

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

Reporting on other information

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

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

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 1 January 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, data protection and e-privacy, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Making enquiries with management and internal commercial and editorial legal heads, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of meeting minutes of the Board of Directors;

- Testing estimates and judgements made in the preparation of the financial statements for indicators of bias;
- Testing unusual or unexpected journal entries, those related to related parties and those impacting unusual account combinations such as unusual credits to expenses, unusual credits to revenue, unusual rebate accrual entries and unusual capitalisation journals;
- Challenging assumptions and estimates made by management in the cash flow projections underpinning the models supporting the going concern conclusion;
- Understanding and evaluating the company's control environment; and
- Assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Andy Grimbly

Andy Grimbly (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 July 2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 1 JANUARY 2023

	Note	2022 £'000	2021 £'000
Turnover	2	**254,219**	244,985
Cost of sales		**(151,313)**	(151,875)
Gross profit		**102,906**	93,110
Distribution costs		**(9,881)**	(9,729)
Administrative expenses		**(52,733)**	(52,688)
Operating profit	3	**40,292**	30,693
Attributable to:			
Operating profit before exceptional items		**40,102**	33,344
Exceptional items	3	**190**	(2,651)
		40,292	30,693
Impairment of joint venture undertakings[1]	9	**-**	(135)
Income from other investments	9	**75**	75
Interest payable		**(1,393)**	(1,057)
Profit before taxation		**38,974**	29,576
Tax on profit	6	**(5,695)**	(3,696)
Profit for the financial period		**33,279**	25,880

All the above results are derived from continuing operations; there is no other comprehensive income for the Company.

The notes on pages 18 to 33 form part of these financial statements.

[1] Some prior year numbers have been represented and restated, for details please see note 1(d).

BALANCE SHEET
AS AT 1 JANUARY 2023

	Note	1 Jan 2023 £'000	2 Jan 2022 £'000
Fixed assets			
Intangible assets	7	**9,143**	9,351
Tangible assets	8	**2,855**	2,991
Investments	9	**1**	1
		11,999	12,343
Current assets			
Inventories[1]		**723**	381
Debtors	10	**243,512**	221,221
Cash at bank and in hand		**42,194**	33,640
		286,429	255,242
Creditors: amounts falling due within one year	12	**(67,055)**	(72,453)
Net current assets		**219,374**	182,789
Total assets less current liabilities		**231,373**	195,132
Creditors: amounts falling due after more than one year	13	**(10,768)**	(8,411)
Provisions for liabilities	14	**(3,010)**	(2,405)
Net assets		**217,595**	184,316
Capital and reserves			
Called up share capital	15	**44,747**	44,747
Retained earnings		**172,848**	139,569
Total equity		**217,595**	184,316

The notes on pages 18 to 33 form part of these financial statements.

These financial statements on pages 15 to 33 were approved by the board of directors on 14 July 2023 and were signed on its behalf by:

N D Hugh
Director

S H Welch
Director

[1] Some prior year numbers have been represented and restated, for details please see note 1(d).

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 1 JANUARY 2023

	Called-up share capital £'000	Retained earnings £'000	Total equity £'000
At 4 January 2021	44,747	113,689	158,436
Total comprehensive income for the period			
Profit for the 52 week period	-	25,880	25,880
Total comprehensive income for the period	-	25,880	25,880
Balance at 2 January 2022	44,747	139,569	184,316
Total comprehensive income for the period			
Profit for the 52 week period	-	33,279	33,279
Total comprehensive income for the period	-	33,279	33,279
At 1 January 2023	**44,747**	**172,848**	**217,595**

The notes on pages 18 to 33 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 1 JANUARY 2023

1. ACCOUNTING POLICIES

(a) General information

Telegraph Media Group Limited ('the Company') operates multi-platform news publishing, including The Daily Telegraph, The Sunday Telegraph, telegraph.co.uk, digital apps for tablet and smartphone, and via third party platforms. The Company is a private company limited by shares and is incorporated in England, United Kingdom.

(b) Statement of compliance

The individual financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

(c) Basis of preparation

The financial statements have been prepared in Sterling (rounded to the nearest thousand pounds), the functional currency of the Company, under the historical cost convention.

The Company uses 52/53 week accounting periods and has drawn up its financial statements for the 52 weeks to 1 January 2023. Balances at that date are referred to relating to 2022 in these financial statements. The 52 weeks to 2 January 2022 and balances at that date are referred to as relating to 2021.

Going Concern

The financial statements have been prepared under the going concern assumption and the basis is set out below.

In line with the Companies Act 2006 the Directors have undertaken an exercise to review the appropriateness of the continued use of the going concern basis.

On 15 May 2023, Bank of Scotland, pursuant to the terms of a share charge securing a loan to Penultimate Investment Holdings Limited (PIHL), a holding company within the PIHL Group which indirectly owns Press Acquisitions Limited and its Subsidiaries including Telegraph Media Group Limited, appointed Alastair Beveridge and Ben Browne of AlixPartners as receivers ("the Receivers") of the shares of B.UK. Limited owned by PIHL. Following their appointment, the Receivers initiated changes to the board of B.UK. Limited. In turn the Directors to the board of B.UK. Limited initiated changes to the boards of Press Holdings Limited, May Corporation Limited, Press Acquisitions Limited and Telegraph Media Group Limited. Independent directors, Stephen Welch and Boudewijn Wentink were appointed to the boards of Press Acquisitions Limited and Telegraph Media Group Limited. Aidan Barclay, Howard Barclay and Philip Peters were removed as directors of both entities. Richard Neal was removed from the Board of Press Acquisitions Limited and subsequently resigned from the Board of Telegraph Media Group. Nick Hugh continues to serve as a Director of Telegraph Media Group Limited.

Since the appointment of Receivers and changes in Directors, the Company has continued to trade in the normal course, in line with management's profit and cash flow forecasts.

The Company is partially financed by its parent company, Press Acquisitions Limited. Press Acquisitions Limited holds an external loan facility agreement with Lloyds Banking Group. The maturity date of the Term Loan and RCF facilities has been extended from 30 September 2023 to 31 December 2024, however the directors will continue to review the facility on an ongoing basis.

1. ACCOUNTING POLICIES – CONTINUED

Basis of preparation – continued

Going Concern – Continued

In preparing the financial statements the directors have considered the Company's ability to meet its debts as they fall due for a period of at least 12 months from the approval of the financial statements, especially in light of the current economic uncertainty associated with various factors including high inflation, pressures on household finances and increased energy costs.

Given the current economic uncertainty referred to above a severe but plausible downside has been considered as follows:

- a potential severe downturn in total revenue of 10% reduction in revenue and 28% reduction in EBITDA pre-exceptionals compared to 2023 Budget and a 6% reduction in 2023 revenue and 22% reduction in EBITDA pre-exceptionals versus 2022 - however, the ongoing and successful implementation of the subscription-first strategy reduces the dependence on variable advertising and commerce revenues, offset by associated reductions in variable costs; and
- in assessing this severe but plausible downside scenario, the directors also considered potential mitigating actions within their control, such as restricting capital expenditure and working capital management.

This would not impact the going concern assessment. The Directors are comfortable there is sufficient headroom in liquidity and covenants throughout the going concern period.

Based upon the above, the Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

However, the Directors are exploring their options, including the option of a potential sale of the Company, at the date of the approval of the financial statements. The Directors are not aware of any current concerns regarding the ability of the Company to operate as a going concern after a potential sale. But the fact that the Directors do not have information about the identity or future plans of potential new owners, including any financing arrangements, indicates a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Notwithstanding this uncertainty, the Directors are satisfied that the going concern basis remains appropriate for the preparation of the Company's financial statements. The financial statements do not include adjustments that would result if the Company was unable to continue as a going concern.

1. ACCOUNTING POLICIES – CONTINUED

(d) Restatement and representation of balances

Statement of Comprehensive Income representation

As a result of applying the correct accounting policy in the current year, the investment note has been restated to reflect the impairment of investments instead recognition of losses from joint ventures.

In the financial statements for the period ended 2 January 2022, the Company presented a net figure in the Statement of Comprehensive Income for all income and expenditure relating to assets held as investment entities. For the period ended 1 January 2023, the Company has reviewed the loss from interests in joint venture undertakings balances and these amounts have been disaggregated and presented separately in the primary statements as Impairment from interests in joint venture undertakings and income from other investments. This does not have an impact on the Statement of Changes in Equity, the Balance Sheet or opening retained earnings.

Balance Sheet and other notes representation

In the Balance Sheet for the period ended 2 January 2022, Inventories were presented within Debtors. For the current reporting period, this has been disaggregated to bring clarity and transparency to the financial statements. There is no impact on the Statement of Comprehensive Income, Statement of Changes in Equity or opening retained earnings.

In Note 12: Creditors: amounts falling due within one year for the period ending 2 January 2022, accruals and provisions were shown in aggregate. This has been split out for the current reporting period. There is no impact on the Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity or opening retained earnings.

In Note 17: Related parties for the period ending 2 January 2022, corporation tax amounts to parent undertakings were not presented in related party balances, but have been updated for the current reporting period. There is no impact on the Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity or opening retained earnings.

(e) Exemptions under Companies Act and exemptions for qualifying entities under FRS 102

The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements because it is a wholly owned subsidiary of Press Acquisitions Limited, the parent company of the smallest group in which the results of the Company are consolidated and publicly available, established under the law of England and Wales. These financial statements present information about the Company as an individual undertaking.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12(b) and has not published a cash flow statement as it is a subsidiary undertaking of Press Acquisitions Limited, whose consolidated financial statements are publicly available and include such a statement.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12 (c) and has made only limited disclosures in respect of financial instruments.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 1.12 (e) and has not disclosed key management personnel compensation in total.

The Company has taken advantage of the exemption contained in FRS 102 paragraph 33.1A and has not disclosed transactions or balances with wholly owned entities.

The principal accounting policies, all of which have been applied consistently throughout all financial periods presented, are set out below.

(f) Turnover

Turnover represents sales to third parties and is stated net of returns, commissions, discounts and rebates and excludes value added tax and other sales taxes.

Circulation revenue which includes casual paper sales, is recognised at the time of sale at the cover price, less wholesaler and retailer discounts.

Subscription revenue comprising both digital and print subscriptions, is recognised on a straight-line basis over the term of the subscription. Print subscription revenue is reduced to net trading income by recognising voucher redemption costs associated with the subscription.

1. ACCOUNTING POLICIES – CONTINUED

Advertising revenue from the provision of advertising space for third party digital platforms is recognised net of platform provider commissions. Print advertising revenue, net of any commission and rebates, is recognised on the date of publication. Digital advertising revenue, net of any commission and rebates, is recognised over the period of the online campaign in accordance with the provision of services.

Included in other revenues are primarily revenues from travel bookings, events and syndication. These revenue streams are recognised either at the time of sale net of a cancellation provision for travel, or over the duration of the provision of service as appropriate.

(g) Exceptional items

Exceptional items are transactions that fall within the activities of the Company but are presented separately by virtue of their structural and non-recurring nature to assist in understanding the financial performance of the Company.

(h) Interest receivable and payable

Interest receivable and payable is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(i) Foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling on the day the transaction occurs. Monetary assets and liabilities denominated in a foreign currency are translated at the rate ruling on the balance sheet date ("the closing rate"). All exchange differences are taken to the statement of comprehensive income as a financing cost.

(j) Investments

Investments in subsidiary companies are recorded at cost less accumulated impairment losses.

Other investments are acquired with the intention that they will be held for the long term and are stated at cost less provision, if appropriate, for any permanent diminution in value. An associate is an entity, being neither a subsidiary nor a joint venture, in which the group holds a long-term interest and where the group has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. Investment in an associate is held at cost less accumulated impairment losses in line with Section 14 of FRS 102.

The Company has applied FRS 102 Section 15 to all Joint Venture arrangements. Under FRS 102 Section 15 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Company has assessed the nature of its joint arrangements and determined them to be joint ventures. An entity is treated as a joint venture when the Company holds an interest on a long-term basis and jointly controls the entity with one or more parties.

Under FRS 102 section 9.26, the Company has accounted for its Investments in joint ventures and associated undertakings at cost less impairment, if appropriate, for any permanent diminution in value.

Dividend income is recognised when the right to receive payment is established.

(k) Taxation

The charge for taxation is based on the result for the financial period and considers taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Tax is recognised in the statement of comprehensive income.

Current tax is the amount of income tax payable in respect of the taxable profit for the current and prior periods. It is calculated based on tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax is recognised for all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profit and loss and its results as stated in the financial statements.

No deferred tax is recognised on permanent differences. Deferred tax is measured at the average tax rates that are expected to apply in the financial year in which the timing differences are expected to reverse based on tax rates and law that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits.

1. ACCOUNTING POLICIES – CONTINUED

(l) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is included in administrative expenses in the statement of comprehensive income. Amortisation is calculated to write off the cost, less residual value, of intangible assets on a straight-line basis over their estimated useful economic lives which falls between 3-5 years for this asset class.

Computer software is stated at cost less accumulated amortisation and impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight-line basis. Capitalisation of internally developed website based intangible assets is determined when considering the business case and the strategic importance of the development.

Assets are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount, which is the higher of "value in use" and "fair value less costs to sell".

Assets in the course of development are stated at cost. These assets are not depreciated until they are available for use and are reviewed for impairment at each reporting date.

(m) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the purchase price of the asset, restoration costs and directly attributable costs in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is presented within administrative expenses.

Depreciation is calculated to write off the cost, less residual value, of tangible fixed assets on a straight-line basis over their estimated useful economic lives which are as follows:

Buildings	
Short Leasehold Improvements	50 years or the lease term if under 50 years
Plant and equipment	
Computer equipment	3-5 years
Furniture and fittings	10 years
Other	3-10 years

Assets are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount, which is the higher of "value in use" and "fair value less costs to sell".

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use and are reviewed for impairment at each reporting date.

(n) Debtors

Trade debtors are amounts due from customers for goods or services sold in the ordinary course of business.

Trade debtors are recognised initially at the transaction price and are subsequently measured at amortised cost and classified as current assets. A provision against trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable.

(o) Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

1. ACCOUNTING POLICIES – CONTINUED

(p) Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventories are reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

(q) Creditors

Trade creditors are obligations to suppliers to pay for goods or services purchased in the ordinary course of business.

Trade creditors are recognised initially at the transaction price and classified as current liabilities. If there is an unconditional right to defer obligation to pay suppliers for at least twelve months after the period end, they are presented as amounts falling due after more than one year.

(r) Accrued and deferred income

Accrued income represents unbilled, delivered work, predominately for advertising revenue and is classified within debtors. Deferred income represents mostly receipts from subscribers in advance of goods and services being provided and is classified as part of creditors due within one year.

(s) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and the amount can be reliably estimated. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Restructuring provisions are recognised when the group has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring.

The Company is obligated to pay a restoration charge should the buildings currently occupied be vacated once the rental agreements expire. This has been estimated on a fixed cost per square foot and is recognised in the Balance Sheet as a Non-Current Liability.

(t) Finance leases

Where asset purchases are financed by leasing agreements that give rights approximate to ownership, the assets are treated as if they had been purchased outright and recorded as fixed assets, and the corresponding liabilities are shown as obligations under finance leases.

Rental payments under finance leases are apportioned between capital and interest, the interest portion being charged to the statement of comprehensive income and the capital portion reducing the obligations to the lessor.

(u) Operating leases

Rental costs arising under operating leases are charged to the statement of comprehensive income on a straight-line basis over the life of the lease.

1. ACCOUNTING POLICIES – CONTINUED

(v) Pension costs

The costs of defined contribution schemes are charged to the statement of comprehensive income as the obligation to pay arises.

(w) Financial instruments

The Company has chosen to adopt Sections 11 & 12 of FRS 102 in respect of the financial instruments.

Basic financial assets, including trade and other receivables and cash and bank balances are recognised at transaction price. Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are measured at fair value which is normally the transaction price.

Such assets are subsequently carried at fair value and changes in the fair value are recognised in the statement of comprehensive income, except investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Basic liabilities include trade and other payables, bank loans and loans from fellow group companies and are initially recognised at transaction price. Fees paid on the establishment loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down.

(x) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(y) Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Company financial statements.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

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.

No critical judgements have been taken in applying the Company's accounting policies.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The key estimates and assumptions are addressed below.

Recoverable amount of intangible assets

Annually, the Company considers whether intangible assets are impaired. Where an indication of impairment is identified, the estimation of recoverable value requires estimation of the future cash flows and economic benefit generated by the asset, using an appropriate discount rate in order to calculate the net present value of those cash flows. There is no significant risk of material adjustment in the next financial year.

2. TURNOVER

Turnover generated by the Company can be categorised as follows:

		2022 £'000	2021 £'000
Circulation		**56,221**	59,558
Subscriptions	- Digital	**57,863**	44,094
	- Print	**71,628**	68,598
Advertising	- Digital	**12,240**	11,490
	- Print	**32,867**	40,713
Other revenue		**23,400**	20,532
Total Turnover		**254,219**	244,985

The Company's operations are located in the UK, and the revenue by location of customers is set out below:

United Kingdom and Republic of Ireland	**232,295**	228,887
Europe	**11,661**	8,481
Rest of World	**10,263**	7,617
Total Turnover	**254,219**	244,985

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):		2022 £'000	2021 £'000
Employment costs (including directors)		**89,943**	90,323
Operating lease rentals - buildings		**4,574**	5,207
Depreciation - tangible fixed assets		**1,459**	814
Amortisation - intangible assets		**5,241**	6,214
Gain from disposal of tangible assets		**(14)**	(18)
Allowances for bad and doubtful debts		**-**	(183)
Auditors' remuneration	- for the audit of the Company	**325**	325
	- other services	**597**	285
Exceptional items (credit)/expense		**(190)**	2,651

Exceptional items

During prior financial periods there were significant one-off restructuring exercises to improve the efficiency and effectiveness of the Company's operations. This has resulted from the Company continuing to make changes to the structure of its business to ensure it is well positioned to navigate and monetise the digital transition taking place in the media industry. In the current period, there was a release of £190k relating to an over provision of redundancy costs in a previous year (2021: charge of £2,651k). These amounts were charged or released to the Statement of Comprehensive Income.

EBITDA before exceptional items can be reconciled as follows:

	2022 £'000	2021 £'000
Revenue	**254,219**	244,985
Operating costs	**(213,927)**	(214,292)
Operating profit	**40,292**	30,693
Depreciation	**1,459**	814
Amortisation	**5,241**	6,214
Exceptional items	**(190)**	2,651
EBITDA before exceptional items	**46,802**	40,372

4. DIRECTORS' EMOLUMENTS

(a) Emoluments of the directors:	2022 £'000	2021 £'000
Aggregate remuneration	1,000	1,994
Compensation for loss of office	-	315
Company contributions to defined contribution schemes	5	6
	1,005	2,315

During the financial period, the Company paid one (2021: two) director for their services. Similarly, contributions made by the Company to defined contribution schemes was on behalf of one (2021: two) director.

(b) Emoluments of the highest paid director:	2022 £'000	2021 £'000
Aggregate remuneration	1,000	1,504
Company contributions to defined contribution schemes	5	3
	1,005	1,507

5. EMPLOYEE INFORMATION

(a) Monthly average number of persons (including directors) employed by the Company:

	2022 Number of employees	2021 Number of employees
Editorial and production	659	687
Selling, distribution and administration	310	360
	969	1,047

Most members of staff included above hold employment contracts with Telegraph Publishing Limited, a subsidiary of the Company. As all charges under these contracts are met directly by the Company, for the purposes of the annual financial statements of the two companies, the directors regard these staff as being employed by Telegraph Media Group Limited.

(b) Employment costs (including directors):

	2022 £'000	2021 £'000
Wages and salaries	75,927	76,971
Social security costs	9,627	8,902
Other pension costs	4,389	4,450
	89,943	90,323
Redundancy costs shown within exceptional items	(190)	2,651
Total costs of employment	89,753	92,974

The Company operates The Telegraph Retirement Savings Plan which is a defined contribution scheme, and which covers the majority of the Company's employees.

6. TAX ON PROFIT

Tax expense included in statement of comprehensive income	**2022 £'000**	2021 £'000
Current tax:		
UK Corporation tax on profits for the financial period	**(5,928)**	(4,754)
Adjustment in respect of prior periods	**590**	75
Total current tax	**(5,338)**	(4,679)
Deferred tax:		
Origination and reversal of timing differences	**(61)**	(70)
Adjustment in respect of prior periods	**(296)**	39
Impact of rate change	**-**	1,014
Total deferred tax (see note 11)	**(357)**	983
Tax charge	**(5,695)**	(3,696)

Reconciliation of tax charge

Tax assessed for the financial period is lower (2021: lower) than the standard rate of corporation tax in the UK for the period ended 1 January 2023 of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before tax	**38,974**	29,576
Profit before tax multiplied by the standard rate of tax in the UK of 19% (2021: 19%)	**(7,405)**	(5,619)
Effects of:		
Expenses not deductible for tax purposes	**(462)**	(261)
Deemed interest on intercompany loan balances	**(1,960)**	(1,759)
Press Acquisitions Limited group relief for nil consideration	**3,549**	2,885
Adjustment in respect of prior periods	**590**	114
Capital allowances - super deduction	**289**	-
Deferred tax – impact of rate change	**-**	1,014
Deferred tax – adjustment in respect of prior periods	**(296)**	-
Deferred tax – current period	**-**	(70)
Tax charge for the financial period	**(5,695)**	(3,696)

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%, and its effects are included in the analysis above.

7. INTANGIBLE ASSETS

	Intangible Assets £'000	Assets under Development £'000	Total £'000
Cost:			
Opening balance at 3 January 2022	46,862	2,756	49,618
Additions	-	5,033	5,033
Disposals	(15,655)	-	(15,655)
Transfers	4,981	(4,981)	-
Closing balance at 1 January 2023	36,188	2,808	38,996
Accumulated amortisation:			
Opening balance at 3 January 2022	(40,267)	-	(40,267)
Charge for the financial period	(5,241)	-	(5,241)
Disposals	15,655	-	15,655
Closing balance at 1 January 2023	(29,853)	-	(29,853)
Net book value:			
Closing balance at 1 January 2023	**6,335**	**2,808**	**9,143**
Closing balance at 2 January 2022	6,595	2,756	9,351

Intangible assets are being amortised over their estimated useful lives of three to five years, the period over which the Company expects to benefit from their value using the straight-line method. The additions are internally developed website assets, which relate to projects around subscriber acquisition and retention.

8. TANGIBLE ASSETS

	Buildings – short leasehold £'000	Plant and Equipment £'000	Total £'000
Cost:			
Opening balance at 3 January 2022	3,548	8,457	12,005
Additions	633	694	1,327
Disposals	-	(3,202)	(3,202)
Closing balance at 1 January 2023	4,181	5,949	10,130
Accumulated depreciation:			
Opening balance at 3 January 2022	(1,375)	(7,639)	(9,014)
Charge for the financial period	(610)	(849)	(1,459)
Disposals	-	3,198	3,198
Closing balance at 1 January 2023	(1,985)	(5,290)	(7,275)
Net book value:			
Closing balance at 1 January 2023	**2,196**	**659**	**2,855**
Closing balance at 2 January 2022	2,173	818	2,991

The net book value of assets held under finance leases included in the above was £48k (2021: £68k).

9. INVESTMENTS[1]

	2022	2021
	£'000	£'000
Cost and net book value		
Opening balance	1	136
Less: impairment	-	(135)
Closing balance	1	1

During the prior financial period, the carrying value of a joint venture investment (associated undertaking in the current year[2]) was fully impaired, in accordance with note 1(j). Investment in subsidiaries are carried at their recoverable value £1k (2021: £1k). All other investments are fully impaired.

The list of subsidiaries is as follows. All entities are under direct ownership, except Eagle Publications Limited. All are incorporated in the United Kingdom.

Name	Principal Activity	Interest	Registered Address
TMG Innovations Limited	Holding company	100%	111 Buckingham Palace Road, London, SW1W 0DT
The Evening Post Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
The Morning Post Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
The Sunday Telegraph Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
Telegraph Publishing Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
Telegraph Secretarial Services Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
Telegraph Financial Solutions Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
Telegraph Events Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT
Eagle Publications Limited	Dormant	100%	111 Buckingham Palace Road, London, SW1W 0DT

The list of other investment and associated undertakings is below. All are directly owned, except Caravan Digital L.P. All are incorporated in the United Kingdom, except for Caravan Digital L.P, which is incorporated in Canada.

Name	Principal Activity	Interest	Registered Address
Ozone Project Limited[2]	Investment	18%	20 St. Thomas Street, London, SE1 9RS
NLA Media Access Limited	Investment	14%	Mount Pleasant House, Lonsdale Gardens, Tunbridge Wells, TN1 1HJ
Caravan Digital L.P.	Investment	2%	142-757 West Hastings Street, Vancouver, V6C 1A1
PA Media Group Limited	Investment	1%	The Point 37 North Wharf Road, London, W2 1AF

[1] Some prior year numbers have been represented and restated, for details please see note 1(d).

[2] The shareholding in this entity was reduced from 25% to 18% in the year and is now considered an investment in associate.

10. DEBTORS

	2022	2021[1]
	£'000	£'000
Trade debtors	17,066	21,064
Amounts owed by Press Acquisitions Limited	200,295	176,721
Amounts owed by Subsidiaries	295	295
Corporation tax receivable from group undertakings	842	-
Other taxation and social security	1,374	158
Other debtors	146	539
Deferred tax asset (see note 11)	3,868	4,225
Prepayments	6,043	4,516
Accrued income	13,583	13,703
	243,512	221,221

Trade debtors are stated after provisions for bad and doubtful debts of £1,518k (2021: £1,013k).

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Pursuant to a letter of support, the directors of Telegraph Media Group Limited have indicated their intention to provide financial support to its Press Acquisition Limited should that be required, and will not call upon the receivable within a 12 month period from the date of signing these financial statements. They are denominated in Sterling.

11. DEFERRED TAX ASSET

	2022	2021
	£'000	£'000
Deferred tax asset:		
Capital allowances	2,231	3,389
Provisions	1,637	836
Deferred tax asset	3,868	4,225
Movements in the financial period:		
Opening net deferred tax asset	4,225	3,242
Adjustments in respect of prior period	(296)	39
Credited to statement of comprehensive income (see note 6)	(61)	(70)
Impact of rate change	-	1,014
Closing net deferred tax asset	3,868	4,225

There are no unused tax losses or unused tax credits.

[1] Some prior year numbers have been represented and restated, for details please see note 1(d).

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade creditors	**5,837**	4,505
Obligations under finance leases (see note 16)	**22**	22
Amounts owed to group undertakings	**232**	204
Other taxation and social security	**2,923**	3,221
Other creditors	**2,168**	2,287
Corporation tax payable to group undertaking	**-**	1,942
Accruals[1]	**30,825**	35,622
Provisions	**1,555**	1,544
Deferred income	**23,493**	23,106
	67,055	72,453

Amounts owed to group undertakings include £231k (2021: £204k) due to a subsidiary investment in Telegraph Events Limited (TEL). Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Pursuant to a letter of support, the directors of the Company have indicated their intention to provide financial support to TEL should that be required and will not call upon the loan within a 12 month period from the date of signing these financial statements. They are denominated in Sterling.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £'000	2021 £'000
Obligations under finance leases (see note 16)	**8**	30
Other creditors	**10,760**	8,381
	10,768	8,411

Other creditors are predominately made up of long-term employee related creditors and a rental lease incentive.

14. PROVISIONS FOR LIABILITIES

	Building £'000
Opening balance at 3 January 2022	**2,405**
Additions	**633**
Utilisation	**(28)**
Closing balance at 1 January 2023	**3,010**

The building provision relates to a restoration provision. This is recognised in accordance with the accounting policy referenced in Note 1. The provision is calculated based on the expected cost to return property to its original state. The restoration provision is utilised in accordance with the contract.

[1] In the prior reporting period, accruals and provisions were shown in aggregate. This has been split out for the current reporting period.

15. CALLED UP SHARE CAPITAL

	2022	2021
	£'000	£'000
Authorised:		
1,703,000,000 (2021: 1,703,000,000) ordinary shares of £1 each	**1,703,000**	1,703,000
Issued, called up and fully paid:		
44,747,466 (2021: 44,747,466) ordinary shares of £1 each	**44,747**	44,747

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

16. COMMITMENTS AND CONTINGENCIES

Future payments under non-cancellable land and building operating leases for each of the following periods:

	2022	2021
	£'000	£'000
Not later than one year	**4,587**	4,864
Later than one year and not later than five years	**16,827**	17,260
Later than five years	**14,390**	18,545
	35,804	40,669

Future payments under finance leases for each of the following periods:

Within one year	**22**	22
In more than one year but less than five years	**8**	30
Total obligations	**30**	52

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business on a wide range of matters, including, among others, libel claims. The Company currently does not have any material legal claims outstanding.

The Company had no capital commitments as at 1 January 2023 (2021: £nil).

17. RELATED PARTIES

The Company has taken advantage of the exemption contained in FRS 102 paragraph 33.1(a) and has not disclosed details of transactions with other wholly owned group companies within the Press Acquisitions Limited group.

RELATED PARTY TRANSACTIONS	2022	2021[1]
	£'000	£'000
Revenue	**6,677**	6,160
Rental income	**4**	939
Dividend income	**75**	75
Costs	**(3,223)**	(1,314)
Corporation Tax Payments	**(6,747)**	(5,758)
RELATED PARTY BALANCES		
Debtors	**3,572**	3,372
Creditors	**1,825**	2,612

[1] Some prior year numbers have been represented and restated, for details please see note 1(d).

17. RELATED PARTIES - CONTINUED

The Company traded with the following related party undertakings: Arrow XL Limited, NLA Media Access Limited, PA Media Group Limited, Ozone Project Limited, Shop Direct Home Shopping Limited, B.UK. Limited and St James's Street Property Management Limited.

These related party transactions relate to sales and expenditure with entities either where the Company held an investment, or, in which the Company has a common majority shareholder, or, with another entity within the wider group. There were no other related party transactions during the financial period (2021: £nil).

18. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company's immediate parent company is Press Acquisitions Limited, incorporated in England. The directors understand that Press Acquisitions Limited's ultimate shareholder is the Sir David and Sir Frederick Barclay Family Settlements. The directors do not consider the ultimate beneficial owners of the Company to have changed but it is noted that Mr Alastair Beveridge and Mr Benjamin Browne of AlixPartners Services UK LLP were appointed as receivers over the shares of B.UK. Limited (incorporated in Bermuda) on 15 May 2023. The Company and Press Acquisitions Limited are each indirect subsidiaries of B.UK. Limited. The receivers control the voting rights in respect of the shares of B.UK. Limited and therefore have indirect shareholder control of the Company, should they choose to exercise it.

The largest and smallest group in which the results of the Company are consolidated and publicly available is that of Press Acquisitions Limited. The consolidated financial statements of Press Acquisitions Limited may be obtained from its registered office, 2nd Floor, 14 St. George Street, London W1S 1FE.

19. POST BALANCE SHEET EVENTS

Refer to note 18 for disclosure on the post balance sheet event relating to the Company's ultimate parent company and controlling party.

The Receivers' appointment over the shares in B.UK. Limited is in no way related to the financial health or performance of Press Acquisitions Limited or Telegraph Media Group Limited and the day to day running of all operating subsidiaries held by B.UK. Limited will continue as normal.

Telegraph Media Group Limited is partially financed by an inter-company arrangement with Press Acquisitions Limited. Press Acquisitions Limited hold an external loan facility agreement with Lloyds Banking Group, to which Telegraph Media Group Limited is also a borrower and guarantor, of which £63m is drawn down at the period end and £55.0m is drawn down at the date of the approval of the financial statements. On 5 July 2023 the maturity date of the Term Loan and RCF facilities was extended from 30 September 2023 to 31 December 2024.

On 28 March 2023, Telegraph Media Group Limited announced it had acquired The Chelsea Magazine Company Limited (CMC), an independent publisher of lifestyle content. Founded in 2007 by Paul Dobson, CMC offers a portfolio of specialist consumer brands including The English Home, The English Garden, Artists & Illustrators, Classic Boat and Britain. The portfolio offers print and digital subscriptions and reaches a combined monthly audience of 2.5 million in the UK and abroad.