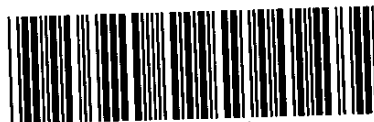


Registered number: 00715143

GWR GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



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GWR GROUP LIMITED

COMPANY INFORMATION

Directors	Stephen Gabriel Miron Richard Francis Jackson Park (resigned 1 July 2019) Darren David Singer
Company secretary	Ruth Patricia Daniels
Registered number	00715143
Registered office	30 Leicester Square London, WC2H 7LA United Kingdom
Independent auditor	Deloitte LLP Statutory auditor & Chartered accountants Abbotts House Abbey Street Reading United Kingdom RG1 3BD

GWR GROUP LIMITED

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GWR GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

Introduction

The Directors present their Strategic report for the Company for the year ended 31 March 2019.

Business review

The Company is a subsidiary of Global Media & Entertainment Limited Group (the "Group"). The principal activity of the Company is that of an investment holding company. The Directors expect the general level of activity to continue at current levels. The Company's income is generated from dividends from subsidiary companies, as in previous years.

In December 2018, the Group undertook refinancing of its external banking facilities, entering new term loans for £350.0m, and completed a restructuring of shareholder debt. No shares were issued or converted during the year.

Principal risks and uncertainties

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

Liquidity risk

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

Market risk

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

While the impact of the United Kingdom leaving the European Union remains uncertain and hard to assess, based on current UK growth forecasts there is a risk that performance will be lower than forecast in the coming years. The Company has analysed the potential impact on the business of a financial downturn through detailed scenario modelling and assessments of performance during historic economic recessions. In a downside scenario, the Company would implement various cost reduction strategies in order to preserve margin performance and mitigate risk.

Interest rate risk

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

GWR GROUP LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

Financial key performance indicators

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

This report was approved by the board on 23 SEPTEMBER 2019 and signed on its behalf

A handwritten signature in black ink, appearing to read 'D. Singer', with a stylized flourish at the end.

DD Singer
Director

GWR GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report and the audited financial statements for the year ended 31 March 2019.

Results and dividends

The profit for the year, after taxation, amounted to £50,234,000 (2018 - £31,677,000)

A dividend of £54,032,000 was paid during the year (2018: £28,867,000). No dividend has been proposed after year end.

Directors

The Directors who served during the year and to the date of signing of this report were:

Stephen Gabriel Miron
Richard Francis Jackson Park (resigned 1 July 2019)
Darren David Singer

Political contributions

The Company made no political contributions made during the year (2018: £nil).

Future developments

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

The Directors believe that the year ended 31 March 2019 reflected a return to the Group's radio operating segment's typical trading levels after the prior year's exceptional results. The Company expects moderate but stable growth across its commercial radio operations in the short and medium term, although the wider market outlook remains uncertain. The Directors continue to explore a number of opportunities to grow and expand the existing business.

Climate change

The Company takes its environmental stewardship seriously, acknowledging its impact at its own sites and from staff travel. Radio transmitters are powered 99% from renewable energy sources through the third party transmissions provider, and all offices use sustainable sources of energy. The Company continues to pursue a policy of reducing and recycling waste across its broadcast centres, and has committed to eliminating single-use plastics backstage at events and throughout offices by December 2019.

While climate change is not seen as a significant risk to the group, the Company's belief is that everyone has a responsibility to reduce their own impact, and the areas outlined above are the first steps in that direction.

Qualifying third party indemnity provisions

The Directors benefit from qualifying third party indemnity provisions in place for the Company and the Global Media & Entertainment Limited group.

Matters covered in the strategic report

An indication of financial risk management objectives and policies of the Company are included in the strategic report.

GWR GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

Disclosure of information to auditor

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

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

Post balance sheet events

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

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 23 SEPTEMBER 2019 and signed on its behalf.



DD Singer
Director

GWR GROUP LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

The Directors are responsible for preparing the Annual report and the audited financial statements in accordance with applicable laws and regulations

Company law requires the Directors to prepare audited financial statements for each financial year. Under that law the Directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the audited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these audited financial statements, the Directors are required to:

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

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

GWR GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GWR GROUP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of GWR Group Limited:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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.

GWR GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GWR GROUP LIMITED

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

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/auditresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

GWR GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GWR GROUP LIMITED

Use of our report

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

Andrew Evans

Andrew Evans (Senior statutory auditor)

for and on behalf of

Deloitte LLP

Statutory auditor
Chartered accountants

Abbotts House
Abbey Street
Reading
United Kingdom
RG1 3BD

Date: *23 September, 2019.*

GWR GROUP LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £000	2018 £000
Income from fixed assets investments	7	47,659	29,079
Interest receivable and similar income	8	3,178	3,207
Profit before tax		50,837	32,286
Tax on profit	9	(603)	(609)
Profit for the financial year		50,234	31,677
Total comprehensive income for the year		50,234	31,677

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income

There was no other comprehensive income for 2019 (2018: £nil).

The notes on pages 12 to 27 form part of these financial statements

GWR GROUP LIMITED
REGISTERED NUMBER: 00715143

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Investments	11		58,546		58,546
			<u>58,546</u>		<u>58,546</u>
Current assets					
Debtors: amounts falling due within one year	12	52,367		56,165	
		<u>52,367</u>		<u>56,165</u>	
Total assets less current liabilities			110,913		114,711
Net assets			<u>110,913</u>		<u>114,711</u>
Capital and reserves					
Called up share capital	14		6,586		6,586
Share premium account	15		54,115		54,115
Special capital reserve	15		369		369
Merger reserve	15		47,052		47,052
Profit and loss account	15		2,791		6,589
			<u>110,913</u>		<u>114,711</u>

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



23 SEPTEMBER 2019.

DD Singer
Director

The notes on pages 12 to 27 form part of these financial statements

GWR GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital £000	Share premium account £000	Special capital reserve £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2017	6,586	54,115	369	47,052	3,779	111,901
Profit and total comprehensive income for the year	-	-	-	-	31,677	31,677
Dividends paid	-	-	-	-	(28,867)	(28,867)
At 1 April 2018	6,586	54,115	369	47,052	6,589	114,711
Profit and total comprehensive income for the year	-	-	-	-	50,234	50,234
Dividends paid	-	-	-	-	(54,032)	(54,032)
At 31 March 2019	6,586	54,115	369	47,052	2,791	110,913

The notes on pages 12 to 27 form part of these financial statements.

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

GWR Group Limited (the "Company") is incorporated and domiciled in the United Kingdom. The Company is registered in England and Wales and is a private company limited by shares.

The principal activity of the Company is that of an investment holding company.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions (continued)

New accounting standards

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the year ended 31 March 2019. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations as of 1 April 2018. These have not had any material impact on the financial statements.

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from contracts with customers

Standards effective in future periods

Certain new standards, amendments and interpretations to existing standards have been published that are relevant to the Company's activities and are mandatory for the Company's accounting periods beginning after 1 January 2019 or later and which the Company has decided not to adopt early.

- IFRS 16 Leases (will become effective for accounting periods starting on or after 1 January 2019)

The Directors considered the impact on the Company of other new and revised accounting standards, interpretations or amendments that are currently endorsed but not yet effective.

IFRS 16 'Leases' is effective 1 April 2019 and introduces changes to lease accounting for lessees under operating leases, requiring recognition of an asset and a liability to represent the right of use and future lease payments respectively. Lease costs (such as rent) will be recognised in the form of depreciation and interest, rather than as an operating cost.

The Group plans to adopt on a modified retrospective basis with the right of use asset equal to the lease liability at transition date, less any lease incentives received.

The Directors do not expect the revisions to have a material impact on the presentation of the Company's assets and liabilities due to the changes in lease accounting, primarily driven by property leases. The Directors' assessment remains ongoing.

2.3 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006

2.4 Associates and Joint Ventures

Associates and Joint Ventures are held at cost less impairment.

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.5 Going concern

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

The Global Media & Entertainment Limited group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2022 ("the forecast"). The Board considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Group, of which the Company is a part, can continue to trade for the foreseeable future and operate within its new facility and the associated financial covenants.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.7 Debtors

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

2.8 Dividends

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

2.9 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.10 Interest and dividend income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

2.11 Provisions for liabilities

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

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

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

2.12 Current and deferred taxation

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

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

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.13 Share capital and reserves

Ordinary shares

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

Profit and loss account

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

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates. In the view of the Directors, there are no critical judgements or key estimates in the financial statements.

4. Operating profit

The audit fee in respect of services to the Company and its associates, other than the audit of the Company's financial statements, was not disclosed in the prior year as the information was required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, Global Media & Entertainment Limited. The audit fee for the audit of the financial statements of the Company for the current year was £1,000 (2018: £1,000).

5. Employees

The Company did not directly employ any staff in the year (2018: nil).

6. Directors' remuneration

During the year ended 31 March 2019 DD Singer, SG Miron and RFJ Park received remuneration from Global Radio Services Limited, a fellow subsidiary of the ultimate parent company, and the majority of their time was spent on services to the ultimate parent, Global Media & Entertainment Limited. Their remuneration as directors of Global Media & Entertainment Limited is disclosed in that company's financial statements. None of the Directors received remuneration in respect of qualifying services to the Company.

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Income from investments

	2019 £000	2018 £000
Dividends received from unlisted investments	47,659	29,079
	<u>47,659</u>	<u>29,079</u>

8. Interest receivable

	2019 £000	2018 £000
Interest receivable from group companies	3,178	3,207
	<u>3,178</u>	<u>3,207</u>

9. Taxation

	2019 £000	2018 £000
Corporation tax		
Current tax on profits for the year	601	608
	<u>601</u>	<u>608</u>
Total current tax	<u>601</u>	<u>608</u>
Deferred tax		
Origination and reversal of timing differences	2	1
Total deferred tax	<u>2</u>	<u>1</u>
Taxation on profit on ordinary activities	<u>603</u>	<u>609</u>

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below.

	2019 £000	2018 £000
Profit on ordinary activities before tax	<u>50,837</u>	<u>32,286</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	9,659	6,134
Effects of:		
Dividends from UK companies	(9,056)	(5,525)
Total tax charge for the year	<u><u>603</u></u>	<u><u>609</u></u>

Factors that may affect future tax charges

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly, the effective rate of 19% has been used in the computation of current tax.

The 2016 Finance Act includes legislation to reduce the main rate of corporation tax from 19% to 17% from 1 April 2020. The reduction in tax rates was substantively enacted on 15 September 2016.

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

10. Dividends

	2019 £000	2018 £000
Dividends - ordinary shares declared and paid	54,032	28,867
	<u><u>54,032</u></u>	<u><u>28,867</u></u>

Dividends per share of £0.41 were paid during the year (2018: £0.22)

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Fixed asset investments

	Investments in subsidiary companies £000	Investments in associates £000	Trade investments £000	Total £000
Cost or valuation				
At 1 April 2018	74,814	238	68	75,120
At 31 March 2019	74,814	238	68	75,120
Impairment				
At 1 April 2018	16,574	-	-	16,574
At 31 March 2019	16,574	-	-	16,574
Net book value				
At 31 March 2019	58,240	238	68	58,546
At 31 March 2018	58,240	238	68	58,546

Subsidiary undertakings

The subsidiary undertakings of the Company are listed in Note 20.

12. Debtors

	2019 £000	2018 £000
Amounts owed by group undertakings	52,362	56,158
Deferred taxation	5	7
	52,367	56,165

Amounts due from group undertakings are repayable on demand and attract a 6% annual interest charge.

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

13. Deferred taxation

	2019 £000
At beginning of year	7
Charged to profit or loss	(2)
At end of year	5

The deferred tax asset is made up as follows:

	2019 £000	2018 £000
Fixed asset temporary differences	5	7
	5	7

14. Share capital

	2019 £000	2018 £000
Authorised, called up and fully paid		
131,710,143 (2018 - 131,710,143) Ordinary shares of £0.05 each	6,586	6,586
All shares carry equal voting rights		

15. Reserves

Share premium account

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

Merger Reserve

The merger reserve arose on acquisition of subsidiaries

Profit & loss account

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

Special capital reserve

The special capital reserve arose on cancellation of deferred shares

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

16. Guarantees

Guarantees as at the balance sheet date were as follows.

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

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

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

17. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £000	2018 £000
Not later than 1 year	5	7
	5	7

During the year ended 31 March 2019 a charge to the statement of comprehensive income of £21,000 was recognised in relation to operating leases.

18. Related party transactions

As the Company is a wholly owned subsidiary of Global Media & Entertainment Limited limited by shares (the ultimate parent company) the Company has taken advantage of the exemption contained within FRS 101.8(k) and has therefore not disclosed transactions or balances with wholly owned group companies (or investees of the group qualifying as related parties). The consolidated financial statements of Global Media & Entertainment Limited, within which this Company is included, can be obtained from the address given below.

During the year the Company received dividends of £217,099 (2018 £212,000) from its investment in Independent Radio News Limited.

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Controlling party

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

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

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

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

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

20. Subsidiary undertakings, associates and joint ventures

The following were subsidiary undertakings of the Company. All holdings are of ordinary shares and the companies are incorporated in England and Wales unless otherwise stated:

Name	Country	% ordinary share capital ownership
Atlantic Broadcasting Limited	United Kingdom	100
Audio HQ LLC	United States of America	65
Buzz FM Limited	United Kingdom	100
Cambridge and Newmarket FM Radio Limited	United Kingdom	100
Castleform Limited*	United Kingdom	100
Central European Broadcasting Limited*	United Kingdom	100
Chill Radio Limited	United Kingdom	100
Chiltern Radio Limited	United Kingdom	100
Classic FMBV*	Netherlands	100
Classic FM Limited	United Kingdom	100
Core Digital Radio Limited	United Kingdom	100
Cotswold Broadcasting Company Limited	United Kingdom	100
DAX Digital Audio Exchange Inc	Canada	100
DAX US Inc.	United States of America	100
Devonair Radio Limited	United Kingdom	100
East Anglian Radio Limited	United Kingdom	100
Ecast Ventures Limited*	United Kingdom	100
Essex Radio Limited	United Kingdom	100
GCap Media (FPRL) Limited	United Kingdom	100
GCap Media (The Jazz) Limited	United Kingdom	100
Gemini Radio Limited	United Kingdom	100
Global Outdoor Media Holdings Limited	United Kingdom	100
Global Media Group Services Limited	United Kingdom	100
Global Radio (AM) Limited*	United Kingdom	100
Global Radio Digital Limited*	United Kingdom	100
Global Radio Services Limited*	United Kingdom	100
GM&E GmbH	Germany	100
GM&E Sarl	France	100
GWR (Local Area) Limited	United Kingdom	100
GWR (Trustee Company) Limited*	United Kingdom	100
GWR (West) Limited	United Kingdom	100
GWR East Holdings Limited*	United Kingdom	100
GWR Hungary (Investments) Limited*	United Kingdom	100
GWR International Investments Limited	United Kingdom	100
GWR International Limited*	United Kingdom	100

* Subsidiaries owned directly by the Company.

GWR GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

Name	Country	% ordinary share capital ownership
GWR New Zealand Licences Limited	New Zealand	100
GWR New Zealand Limited	New Zealand	100
GWR Radio (South East) Limited	United Kingdom	100
GWR Radio Limited	United Kingdom	100
Harlow FM Limited	United Kingdom	100
Hereward Radio Limited	United Kingdom	100
Hopstar Limited	United Kingdom	100
Lantern Radio Limited	United Kingdom	99
Leicester Sound Limited	United Kingdom	100
Marcher Radio Group Limited	United Kingdom	100
Mid Anglia Radio Limited	United Kingdom	100
Orchard FM Limited	United Kingdom	100
Orchard Media Limited	United Kingdom	100
Oval (709) Limited	United Kingdom	100
Plymouth Sound Limited	United Kingdom	100
Pop Buzz Limited	United Kingdom	100
Prock Licence (NTRSL) Limited	United Kingdom	100
Radio Broadland Limited	United Kingdom	100
Radio Mercury Limited	United Kingdom	100
Radio Orwell Limited	United Kingdom	100
Radio Trent Limited	United Kingdom	100
Riviera Radio Limited	United Kingdom	100
Saxon Radio Limited	United Kingdom	100
South Hams Radio Limited	United Kingdom	63.5
Storm (GWR) Limited	United Kingdom	100
Storm Broadcasting Limited*	United Kingdom	100
Suffolk Group Radio Limited	United Kingdom	100
Thames Valley Broadcasting Group Limited*	United Kingdom	100
Thames Valley Broadcasting Limited	United Kingdom	100
The Digital Radio Group (Investments) Limited	United Kingdom	100
The Digital Radio Group Limited*	United Kingdom	100
The Milton Keynes Broadcasting Company Limited	United Kingdom	100
The Northamptonshire Broadcasting Company Limited	United Kingdom	100
The Storm (Digital Radio) Limited	United Kingdom	100
Two Counties Radio Limited	United Kingdom	100
Vibe FM Limited	United Kingdom	100
We the Unicorns Limited	United Kingdom	100
West Country Broadcasting Limited	United Kingdom	100
Westward Radio Limited	United Kingdom	100

* Subsidiaries owned directly by the Company.

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Name	Country	% ordinary share capital ownership
Wiltshire Radio Limited	United Kingdom	100
Project Iconic Holdings Limited	United Kingdom	100
Project Iconic Midco Limited	United Kingdom	100
Project Iconic Bidco Limited	United Kingdom	100
Outdoor Plus Limited	United Kingdom	100
Lite Spaces Limited	United Kingdom	100
Deltrack Limited	United Kingdom	100
Continental Angel Limited	United Kingdom	100
Prestfold Limited	United Kingdom	100
Maxx Outdoor Limited	United Kingdom	100
Global Outdoor Media Limited	United Kingdom	100
Bell Intermediate Limited	United Kingdom	100
Bell Bidco Limited	United Kingdom	100
Primesight Limited	United Kingdom	100
Primesight Billboards Limited	United Kingdom	100
Primesight Airports Limited	United Kingdom	100
Primesight Intermediate Holdco Limited	United Kingdom	100
Falcon Outdoor (North) Limited	United Kingdom	100
Primesight Communications Limited	United Kingdom	100
Primesight Airport Advertising Limited	United Kingdom	100
RAM FM Limited*	United Kingdom	100
Champion FM Limited	United Kingdom	100
Livetime Limited	United Kingdom	100
Orchard Media Limited	United Kingdom	100
Westward Television Limited	United Kingdom	100
Digital Audio Exchange Limited	United Kingdom	100
Global Outdoor Media Limited	United Kingdom	100

* Subsidiaries owned directly by the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The registered address of the subsidiaries listed above is 30 Leicester Square, London, WC2H 7LA, with the exception of the below:

Company	Registered Address
Audio HQ LLC	138 Millard Avenue, New York 10708
Bell Bidco Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Global Outdoor Media Holdings Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Bell Intermediate Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Classic FMBV	Naarderpoort 2, 1411MA, Naarden, The Netherlands
Continental Angel Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
DAX US Inc	874 Walker Road, Suite C, City of Dover, County of Kent, Delaware 1990430
Deltrack Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Falcon Outdoor (North) Limited	22 Percy Street, London, United Kingdom, W1T 2BU
GM&E GmbH	c/o Taylor Wessing, 1 Sartorplatz, 880331 Munich
GM&E Sarl	4 rue Marivaux, 75002, Paris
GWR New Zealand Licences Limited	10 Brandon Street, Wellington, 6011, New Zealand
GWR New Zealand Limited	10 Brandon Street, Wellington, 6011, New Zealand
DAX Digital Audio Exchange Inc	2800 Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7
Lite Spaces Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Maxx Outdoor Limited	20-22 Great Titchfield Street, London, United Kingdom, W1W 8BE
Outdoor Plus Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Prestfold Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Primesight Airport Advertising Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Primesight Airports Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Primesight Billboards Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Primesight Communications Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Primesight Intermediate Holdco Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Primesight Limited	22 Percy Street, London, United Kingdom, W1T 2BU
Project Iconic Bidco Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Project Iconic Holdings Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL
Project Iconic Midco Limited	7th Floor, 84 Theobald's Road, London, United Kingdom, WC1X 8NL

GWR GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The Company's indirect associates are:

Name	Country	% ordinary share capital ownership
EG Digital Limited	UK	49.0
The Digital Radio Group (London) Limited	UK	46.5
Wirral Fm Ltd	UK	50.0
Composed Ltd	UK	50.0
Composed Technology International Ltd	UK	20.0
Hit 40 UK Ltd	UK	34.2

The Company's indirect joint ventures are:

Name	Country	% ordinary share capital ownership
InLink Limited	UK	50.0

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

Company	Registered Address
EG Digital Limited	Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA
Composed Limited	4 Pancras Square, London, United Kingdom, N1C 4AG
Composed Technology International Limited	4 Pancras Square, London, United Kingdom, N1C 4AG
InLink Limited	5th Floor, The Met Building, 22 Percy Street, London, England, W1T 2BU