

Registered number:

01112963

INDEPENDENT RADIO NEWS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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INDEPENDENT RADIO NEWS LIMITED

COMPANY INFORMATION

Directors	TAE Cheal
	TM Molloy
	T Hoffman
	SD Kilby
	R Jackson
	SJ Enser-Wight
	B Cooper
Registered number	01112963
Registered office	Independent Radio News Ltd The Harley Building 77 New Cavendish Street London W1W 6XB
Independent auditor	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London United Kingdom WC2N 6RH

INDEPENDENT RADIO NEWS LIMITED

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**INDEPENDENT RADIO NEWS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Directors present their report and the audited financial statements for the year ended 31 March 2023.

Principal activities

Independent Radio News (IRN), through our partner Sky News, provides a continuous and comprehensive national and international news service, including top-of-the-hour bulletins 24/7, with pre-recorded versions overnights and at weekends for stations with recorded programme hours at these times. In addition, we provide a full range of scripts, including bottom-of-the-hour headlines, lead-all cues and a regular service of new audio cuts every hour, in addition to business, sport and entertainment news packages throughout the day.

The Company earns revenue from the sale of Newslink advertising in breakfast airtime provided by client stations at peak morning hours within station's news bulletins. Newslink is a unique advertising opportunity, reaching 75% of UK commercial radio listeners in a clutter-free news environment, in turn benefiting from a higher advertising brand recall when compared to standard airtime.

Business review

The business performed largely in line with budgetary expectations as the advertising market continued to return to normality after the Covid disruption in 2020 and 2021. However, the death of the Queen on September 8th and the period of national mourning and state funeral led to the suspension of Newslink advertising for five days which naturally impacted directly on the targets. The impact is in part due to Newslink's sell-through rate, which is close to 100%, which means that there is no slack to make up lost advertising in the following month or quarter after a missed monthly target. The year-end Newslink revenues were up 1% year on year compared to the national airtime market down -6%. Government advertising declined in 2022 post Covid by -20% and Motors category spending remains an unusually low contributor to the overall revenue at -5%, due to ongoing supply chain issues.

The coverage of the Queen's death and aftermath involved many people across several companies working together. IRN and commercial radio played their part in delivering some outstanding content, ensuring the editorial was accurate and engaging and the tone befitting the moment of national significance. The King's first speech to the nation was broadcast live on IRN channel 1 in place of our regular bulletin with a pre-recorded bulletin sent via ftp for those not wishing to take the speech. IRN benefited from Sky News' royal team, which was outstanding during this period, helping steer us through the constitutional events and updating us with relevant information throughout. We reported several other angles on the Queen's death including the roles of the new Prince and Princess of Wales, the reaction across the Commonwealth as some nations wrestle with the idea of a future without a monarch as the Head of State and the cancellation of various sporting events.

The news team have spent considerable time and resource covering the Ukraine war since February last year as the conflict continues, including providing exclusive audio from an interview with President Volodymyr Zelenskyy and audio from our Moscow correspondent speaking to the bereaved families of fallen Russian soldiers. Elsewhere the economy and cost of living crisis have been regularly highlighted including expert analysis on the causes of inflation and its impact on mortgage and food costs as well as the likely timeframe for a reduction in prices.

**INDEPENDENT RADIO NEWS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Results and dividends

The profit for the year, after taxation, amounted to £2,187,000 (2022: £2,269,000).

The Company's trading results are shown on page 9 of the financial statements.

Dividends were paid as follows:

- A final dividend for the year 31 March 2022 of £0.77 per share amounting to £576,784 was paid on 17 May 2022.
- An interim dividend of £0.72 (2022 £0.74) per share amounting to £539,330 (2022 £554,312) was paid on 16 August 2022.
- An interim dividend of £0.70 (2022 £0.81) per share amounting to £524,350 (2022 £606,747) was paid on 16 November 2022.
- An interim dividend of £0.71 (2022 £0.71) per share amounting to £531,840 (2022 £531,840) was paid on 16 February 2023.
- A final dividend of £0.79 (2022 £0.77) per share amounting to £591,765 (2022 £576,784) was paid on 16 May 2023.

Financial key performance indicators

Sales growth rate: 1% (2022: 1%)

Operating Profit margin: 37% (2022: 39%)

Directors

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

TAE Cheal
TM Molloy
T Hoffman
SD Kilby
R Jackson
B Cooper
SJ Enser-Wight

Qualifying third party indemnity provisions

The Directors benefit from qualifying third party indemnity provisions in place for the Company and for the Global Media & Entertainment group. No claims have been made at any time during the year or at the date of approval of the directors' report.

Political contributions

The Company made no political contributions during the year (2022: £nil).

**INDEPENDENT RADIO NEWS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 101 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 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 also 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.

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 auditors are 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Post Balance sheet events

A final dividend of £0.79 per ordinary share amounting to £591,765 was proposed and was paid on 16 May 2023.

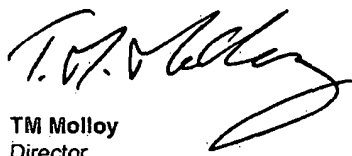
There have been no other significant events impacting the Company since year end.

**INDEPENDENT RADIO NEWS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Small companies note

In preparing this report, the Directors have taken exemptions provided by section 414B of the Companies Act 2006 in relation to the preparation of a Strategic Report. Part 15 of the Companies Act 2006 - Section 415C has been taken with regards to the Directors report.

The financial statements on pages 9 to 26 were approved by the board on 7 December 2023 and signed on its behalf.



TM Molloy
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT RADIO NEWS LIMITED

Independent auditors' report to the members of Independent Radio News Limited

Report on the audit of the financial statements

Opinion

In our opinion, Independent Radio News Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", 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 Directors' report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2023; the Statement of comprehensive income and the Statement of changes in equity for the year 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.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT RADIO NEWS LIMITED

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 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.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 March 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 Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT RADIO NEWS LIMITED

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 employment laws and regulations and data protection legislation, 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 UK tax legislation and 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 the posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management and the in-house legal team to understand internal processes with regards to compliance with laws and regulations and to understand whether there have been any instances of non-compliance;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Addressing the risk of management override of controls, through identification and testing of unusual journal entries to supporting documentation, testing accounting estimates (due to the risk of management bias) and evaluating the business rationale of significant transactions outside of the normal course of business; and
- Review of financial statement disclosures and testing to supporting documentation to assess 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT RADIO NEWS LIMITED

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
7 December 2023

INDEPENDENT RADIO NEWS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Revenue	4	7,271	7,209
Administrative expenses		<u>(4,595)</u>	<u>(4,410)</u>
Operating profit	5	2,676	2,799
Interest receivable and similar income	8	<u>33</u>	<u>1</u>
Profit before tax		2,709	2,800
Tax on Profit	9	<u>(522)</u>	<u>(531)</u>
Profit and total comprehensive income for the financial year		<u>2,187</u>	<u>2,269</u>

Revenue and operating profit are all derived from continuing operations.

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of comprehensive income.

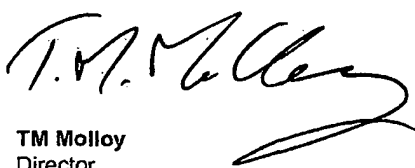
The notes on pages 12 to 26 form part of these financial statements.

INDEPENDENT RADIO NEWS LIMITED
BALANCE SHEET
AS AT 31 MARCH 2023

			2023		2022
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	11		7		22
Tangible assets	12		9		28
			<u>16</u>		<u>50</u>
Current assets					
Debtors: amounts falling due within one year	13	2,456		2,533	
Cash at bank and in hand	14	2,276		2,163	
		<u>4,732</u>		<u>4,696</u>	
Creditors: amounts falling due within one year	15	(2,601)		(2,614)	
Net current assets			<u>2,131</u>		<u>2,082</u>
Total assets less current liabilities			<u>2,147</u>		<u>2,132</u>
Net assets			<u>2,147</u>		<u>2,132</u>
Capital and reserves					
Called up share capital	17		375		375
Profit and loss account			<u>1,772</u>		<u>1,757</u>
Total Equity			<u>2,147</u>		<u>2,132</u>

Registered number: 01112963

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 December 2023.


TM Molloy
 Director

The notes on pages 12 to 26 form part of these financial statements.

INDEPENDENT RADIO NEWS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Share Capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
At 1 April 2022	375	—	1,757	2,132
Comprehensive income for the year				
Profit for the financial year	—	—	2,187	2,187
Total comprehensive income for the year	—	—	2,187	2,187
Dividends paid	—	—	(2,172)	(2,172)
Total transactions with owners	—	—	(2,172)	(2,172)
At 31 March 2023	375	—	1,772	2,147

	Share Capital £'000	Share premium account £'000	Profit and loss account £'000	Total equity £'000
At 1 April 2021	375	—	1,735	2,110
Comprehensive income for the year				
Profit for the financial year	—	—	2,269	2,269
Total comprehensive income for the year	—	—	2,269	2,269
Dividends paid	—	—	(2,247)	(2,247)
Total transactions with owners	—	—	(2,247)	(2,247)
At 31 March 2022	375	—	1,757	2,132

The notes on pages 12 to 26 form part of these financial statements.

**INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

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

Principal activities

Independent Radio News (IRN), through our partner Sky News, provides a continuous and comprehensive national and international news service, including top-of-the-hour bulletins 24/7, with pre-recorded versions overnights and at weekends for stations with recorded programme hours at these times. In addition, we provide a full range of scripts, including bottom-of-the-hour headlines, lead-all cues and a regular service of new audio cuts every hour, in addition to business, sport and entertainment news packages throughout the day.

The Company earns revenue from the sale of Newslink advertising in breakfast airtime provided by client stations at peak morning hours within station's news bulletins. Newslink is a unique advertising opportunity, reaching 75% of UK commercial radio listeners in a clutter-free news environment, in turn benefiting from a higher advertising brand recall when compared to standard airtime.

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.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently, other than where new policies have been adopted:

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

**INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

- 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.

2. Accounting policies (continued)

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

Standards and interpretations adopted in the current year

New accounting standards, interpretations and amendments that are effective from 1 April 2022 have not had significant impact on the Company's results or Statement of Financial Position. The following new accounting standards and/or amendments are effective from 1 April 2022:

- Amendments to IAS16 'Property, Plant and Equipment': Proceeds before intended use
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets': Onerous Contracts - Cost of Fulfilling a Contract
- Annual improvements to IFRS Standards 2018-2020 (IFRS 9 'Financial Instruments' & IFRS 16 'Leases')
- Amendments to IFRS 3 'Business Combinations' - Reference to the Conceptual Framework

New accounting standards, interpretations and amendments that are effective from 1 April 2022 have not had significant impact on the Group's results or Statement of Financial Position.

Accounting standards effective in future periods

The Directors have considered the impact on the Company of new and revised accounting standards, interpretations or amendments that are not yet effective and do not expect them to have a significant impact on the Company's results and Statement of Financial Position.

2.3 Going concern

The financial statements have been prepared using the going concern basis of accounting. The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' report.

The Company has prepared forecasts for the three years ending 31 March 2026 (the "forecast"). Management considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. This forecast indicates that the Company can continue to trade for the foreseeable future.

The forecast contains certain assumptions about the performance of the business including growth in future revenue, the cost model and margins; and importantly the level of cash recovery from trading. The Directors are aware of the risks and uncertainties facing the business but the assumptions used are the Directors' best estimate of the future development of the business.

In the event that revenues decline management can take mitigating actions and cost saving measures to ensure that the Company is still able to continue operating. Such measures could include the review of discretionary spend items such as marketing as well as dividends.

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2.4 Revenue

Revenue recognition is based on the satisfaction of performance obligations, and an assessment of when control is transferred to the customer. The transaction price is allocated to these identified performance obligations, including an estimate of any variable consideration, and stated net of any sales taxes, agency commissions and trade discounts.

Under IFRS 15, the Company must evaluate whether the goods or services are transferred over time or at a point in time for each performance obligation.

2. Accounting policies (continued)

2.4 Revenue (continued)

A summary of how the key classes of revenue are recognised is provided below:

Radio advertising	Point in time, at date of broadcast
Directory enquiries revenue	Point in time, on receipt of call data

Contract assets

A contract asset is the right to consideration in exchange for goods and services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Rebates to client stations

Rebates that are made to client stations are recognised as a deduction from revenue at the point in time.

2.5 Interest income

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

2.6 Share capital and reserves

Share Capital

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.

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2.7 Intangible assets

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

Research and software development costs

Research costs are expensed as incurred. Software development expenditure that are directly attributable to the design and testing of the identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria is met:

- The technical feasibility of completing the intangible asset so that the asset will be available for use;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure the reliability of the expenditure during development to complete the software product so that it will be available for use;

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

2.8 Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Depreciation is provided on the following basis:

- Office furniture, plant & equipment - 22%- 33% per annum

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

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

**INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.9 Financial instruments

A financial instrument is initially recognised at fair value on the Statement of Financial Position (or Balance Sheet) when the entity becomes party to the contractual provisions of the instrument. A financial instrument is derecognised when the contractual rights to the cash flows expire or substantively all risks and rewards of ownership are transferred.

The Company's financial assets are classified in accordance with IFRS 9 and subsequently measured at amortised cost, depending on classification.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The Company recognises a provision for expected credit losses on financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial instrument.

In assessing whether the credit risk has increased significantly, the Company considers both quantitative and qualitative information that is both reasonable and supportable, including historical experience and forward-looking information. The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

For all financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company and the cash flows the Company expects to receive, discounted at the original effective interest rate.

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.10 Cash and cash equivalents

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

2.11 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 to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting 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 profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax liabilities 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.

2.12 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.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have an impact on the amounts recognised and to make 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 that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

The Directors have concluded that, due to the nature of the business, there are no critical accounting judgements or key sources of estimation uncertainty that are required to be disclosed here.

4. Revenue

	2023	2022
	£'000	£'000
Newslink radio advertising	6,573	6,507
Non-Newslink	698	702
	<u>7,271</u>	<u>7,209</u>

All advertising revenue arose within the United Kingdom.

Timing of revenue recognition

	2023	2022
	£'000	£'000
Good and services transferred at a point in time	7,271	7,209
	<u>7,271</u>	<u>7,209</u>

5. Operating profit

The operating profit is stated after charging:

	2023	2022
	£'000	£'000
News and sales costs	4,253	3,915
Defined contribution pension costs	11	11
Amortisation of intangible fixed assets	15	13
Depreciation of tangible fixed assets	<u>19</u>	<u>19</u>

Audit fee paid to the Company's auditors amounted to £23,625 (2022, £22,500).

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

6. Employees

The average monthly number of employees, including the directors, during the year was 2 (2022 : 2).

Staff costs, including directors' remuneration, were as follows:

	2023	2022
	£'000	£'000
Wages and salaries	206	170
Social security costs	36	28
Cost of defined contribution scheme	11	11
	<u>253</u>	<u>209</u>

7. Directors' remuneration

	2023	2022
	£'000	£'000
Directors' emoluments	155	138
Company contributions to defined contribution pension schemes	9	8
	<u>164</u>	<u>146</u>

The highest paid director received remuneration of £155,432 (2022: £138,079).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,701 (2022: £8,000).

8. Interest receivable

	2023	2022
	£'000	£'000
Other interest receivable	33	1
	<u>33</u>	<u>1</u>

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9. Taxation

	2023 £'000	2022 £'000
Corporation tax		
Current tax on profit for the year	522	532
	<u>522</u>	<u>532</u>
Total current tax	<u>522</u>	<u>532</u>
Deferred tax		
Origination and reversal of timing differences	—	(1)
Total deferred tax	<u>—</u>	<u>(1)</u>
Taxation on Profit	<u>522</u>	<u>531</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2023 £'000	2022 £'000
Profit on ordinary activities before tax	2,709	2,800
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	515	532
Effects of:		
Expenses not deductible for tax purposes	7	3
Changes in corporation tax rate	—	(4)
Total tax charge for the year	<u>522</u>	<u>531</u>

Factors that may affect future tax charges

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15.0%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group has applied the exception under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

In the Finance Act 2021, it was enacted that the main rate of UK corporation tax would be increased to 25.0% from 1 April 2023. UK deferred tax has been valued at 25.0% (31 March 2022: either 19.0% or 25.0%).

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

10. Dividends paid

	2023	2022
	£'000	£'000
Dividends on ordinary shares	2,172	2,247
	<u>2,172</u>	<u>2,247</u>

Dividends were paid as follows:

- A final dividend for the year 31 March 2022 of £0.77 per share amounting to £576,784 was paid on 17 May 2022.
- An interim dividend of £0.72 (2022 £0.74) per share amounting to £539,330 (2022 £554,312) was paid on 16 August 2022.
- An interim dividend of £0.70 (2022 £0.81) per share amounting to £524,350 (2022 £606,747) was paid on 16 November 2022.
- An interim dividend of £0.71 (2022 £0.71) per share amounting to £531,840 (2022 £531,840) was paid on 16 February 2023.
- A final dividend of £0.79 (2022 £0.77) per share amounting to £591,765 (2022 £576,784) was paid on 16 May 2023.

11. Intangible assets

	Development expenditure £'000
Cost	
At 1 April 2022	129
At 31 March 2023	<u>129</u>
Accumulated amortisation	
At 1 April 2022	107
Charge for the year	15
At 31 March 2023	<u>122</u>
Net book value	
At 31 March 2023	<u>7</u>
At 31 March 2022	<u>22</u>

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

12. Tangible fixed assets

	Office furniture, plant & equipment £'000
Cost or valuation	
At 1 April 2022	156
At 31 March 2023	<u>156</u>
Accumulated depreciation	
At 1 April 2022	128
Charge for the year	<u>19</u>
At 31 March 2023	<u>147</u>
Net book value	
At 31 March 2023	<u>9</u>
At 31 March 2022	<u>28</u>

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

13. Debtors

	2023	2022
	£'000	£'000
Debtors due from group entities	2,217	2,297
Other debtors	95	96
Prepayments and accrued income	128	124
Deferred taxation	16	16
	<u>2,456</u>	<u>2,533</u>

The carrying value of debtors is a reasonable approximation of the fair value of debtors.

The Company measures the provision for trade receivables at an amount equal to lifetime expected credit losses (ECL), estimated with reference to past default experience as well as the debtor's current financial position. The value of the provision at 31 March 2023 is £nil (2022: £nil).

All debtors are due within one year.

14. Cash and cash equivalents

	2023	2022
	£'000	£'000
Cash at bank and in hand	<u>2,276</u>	<u>2,163</u>
	<u>2,276</u>	<u>2,163</u>

15. Creditors: Amounts falling due within one year

	2023	2022
	£'000	£'000
Corporation tax liability	7	288
Trade creditors	57	80
Other taxation and social security	512	495
Accruals and contract liabilities	<u>2,025</u>	<u>1,750</u>
	<u>2,601</u>	<u>2,614</u>

The carrying value of creditors is a reasonable approximation of the fair value of creditors.

INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

16. Deferred taxation

	2023	2022
	£'000	£'000
At beginning of year	16	15
Credited/(charged) to profit or loss	—	1
At end of year	16	16

The deferred tax asset is made up as follows:

	2023	2022
	£'000	£'000
Deferred capital allowances	16	16
	16	16

17. Share capital

	2023	2022
	£'000	£'000
Authorised, called up and fully paid		
749,070 (2022: 749,070) Ordinary shares of £0.50 each	375	375
	375	375

The Company has one class of ordinary shares which carries no right to fixed income.

18. 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 shares.

Profit & loss account

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

19. Financial risk management

IRN primarily finances its operations using share capital and revenue. The Company's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk.

The Company does not engage in trading or speculative activities using derivative financial instruments. The Directors view that the carrying amount of financial assets represents the maximum credit exposure.

Market risk

Market risk is the risk that changes in prices, such as interest rates, will affect the Company's revenue.

Interest rate risk

Interest rate risk is the risk of a change in the Company's cash flows due to a change in interest rates. The company does not hold any borrowings, therefore, is not materially exposed to interest rate risk.

**INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

19. Financial risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

The Directors consider the Company's credit risk from cash, cash equivalents and deposits to be low as the Company only enters transactions with banks or financial institutions with a credit rating of A or above. The Directors do not expect any significant losses of receivables that have not been provided for.

20. Related party transactions

Independent Radio News Limited is ultimately controlled by Global Media & Entertainment Limited who own 54.6% of the issued share capital of the Company. Global Media Group Services Limited, a subsidiary of Global Media & Entertainment Limited provides sales house services to the Company, and the commission so earned by it in the year ended 31 March 2023 amounted to £1,491,166 (2022: £1,453,278).

Global Media Group Services Limited also provides contract accounting services for which it charged £46,655 for the year ended 31 March 2023 (2022: £42,803). In addition, Global Media Group Services Limited's share of the rebate to client stations for the year ended to 31 March 2023 amounted to £3,204,621 (2022: £3,354,430). At the financial year end the net balance due from Global Media Group Services Limited including the final quarter rebate at 31 March 2023 was £1,421,082 (2022: £1,490,442).

Bauer Radio Limited own 22.34% of the issued share capital of Independent Radio News Limited. During the year ended 31 March 2023 Bauer Radio Limited received a share of the rebate payable to client stations of £2,175,037 (2022: £2,214,583). The net balance due to Bauer Radio Limited including the final quarter rebate at 31 March 2023 was £614,821 (2022: £535,313).

Wireless Group Media (GB) Limited own 3.39% of the issued share capital of Independent Radio News Limited. During the year ended 31 March 2023 Wireless Group Media (GB) Limited received a share of the rebate payable to client stations of £243,668 (2022: £241,908). The net balance due to Wireless Group Media (GB) Limited at 31 March 2023 was £45,854 (2022: £48,251).

ITN Radio Limited owns 19.66% of the issued share capital of the Company but no longer provides any news services to the Company.

The directors' remuneration is set out in Note 7.

21. Controlling party

The Directors regard Global Radio Limited, a company incorporated in Great Britain and registered in England and Wales, as the immediate parent company. The Company is limited by shares.

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.

**INDEPENDENT RADIO NEWS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

22 Post balance sheet events

A final dividend of £0.79 per ordinary share amounting to £591,765 was proposed and was paid on 16 May 2023.

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