

Centaur Communications Limited

**Annual Report and Financial Statements
for the year ended 31 December 2022**

Registered number: 01595235



Centaur Communications Limited

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Centaur Communications Limited

Company information

Board of Directors

Swag Mukerji

Simon Longfield

Company Secretary

Helen Silver

Registered number

01595235 (England and Wales)

Registered office

10 York Road

London

United Kingdom

SE1 7ND

Centaur Communications Limited

Strategic report for the year ended 31 December 2022

The Directors present their strategic report for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is a holding company which also provides services to subsidiaries within the Centaur Media Plc group (the 'Group').

Key performance indicators (KPIs) and business review

The Company had an operating profit for the year of £352,000 (2021: loss of £634,000). The Company received £6,400,000 (2021: £10,349,000) in dividends from subsidiaries as detailed in note 6 and had a profit for the year of £7,925,000 (2021: £10,932,000).

The Directors did not propose any dividends for the year ended 31 December 2022 (2021: £nil).

The Directors consider that the financial position of the Company at 31 December 2022 is satisfactory.

The Directors of the ultimate parent company, Centaur Media Plc, manage the Company's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group as a whole is discussed on pages 12 to 24 of the Group's 2022 Annual Report.

Principal risks and uncertainties

The Directors of Centaur Media Plc manage the Group's risks at a group level, rather than at an individual subsidiary level.

The main risks relating to the Group that relate to the Company are:

- Failure to deliver a high growth performance culture and not completing its MAP23 strategy;
- Sensitivity to UK/sector economic conditions as a result of the UK forecasted recession and high inflation rate impacting future growth;
- Fraudulent or accidental breach of IT network, major systems failure or ineffective operation of IT and data management systems resulting in loss, theft or misuse of financial assets, proprietary or sensitive information and/or operational disruption; and
- Breaches of GDPR and PECR regulations resulting in large fines from the ICO, third party claims and reputational damage.

For further information on these risks please refer to the risk management section of the strategic report in the Group's 2022 Annual Report.

Centaur Communications Limited

Strategic report for the year ended 31 December 2022 (continued)

Section 172 (1) statement

From the perspective of the Directors, as a result of the Group governance structure, the matters that it is responsible for considering under Section 172 (1) of the Companies Act 2006 ('s172') have been considered to an appropriate extent by the Group Board in relation both to the Group and to this Company. The Directors of the Company have also considered relevant matters where appropriate. To the extent necessary for an understanding of the development, performance and position of the entity, an explanation of how the Group Board has considered the matters set out in s172 (for the Group and for the Company) is set out on pages 25 to 27 of the Group's 2022 Annual Report, which does not form part of this report.

By order of the Board



Simon Longfield
Director
9 June 2023

Centaur Communications Limited

Directors' report for the year ended 31 December 2022

The Directors present their report and the financial statements of the Company for the year ended 31 December 2022.

Future developments

The Company will continue as a holding and service company with no significant changes anticipated for the foreseeable future.

Dividends

The Directors did not propose any dividends for the year ended 31 December 2022 (2021: £nil).

Going concern

At year end, the Company had made a profit, has net current assets and is in a net asset position. On this basis, the Directors continue to adopt the going concern assumption in their preparation of the financial statements.

Directors

The Directors who have served during the year and to the date of signing the financial statements were as follows:

Swag Mukerji
Simon Longfield

Qualifying third party indemnity provisions

By virtue of article 19 of the Articles of Association of the Company, a qualifying indemnity provision (within the meaning given by section 234 of the Companies Act 2006) is in force at the date of this report in respect of each director of the Company.

Streamlined energy and carbon reporting (SECR)

The requirements of SECR have been met by the Company through the Group's SECR disclosure in the environmental, social and governance section of the strategic report in the Group's 2022 Annual Report, which does not form part of this report.

Employees

From the perspective of the Directors, as a result of the Group governance structure, the Group Board has taken the lead in carrying out the duties of a board in respect of the Company's employees, including engaging with them, having regard to their interests and the effect of that regard (including on the principal decisions taken by the Company during the financial year). The Directors of the Company have also considered relevant matters where appropriate. An explanation of how the Group Board has carried out these responsibilities (for the Group and for the Company) is set out in the environmental, social and governance section of the strategic report in the Group's 2022 Annual Report, which does not form part of this report.

The Company is an equal opportunities employer and appoints employees based on their skill, experience and capability without reference to age, gender, sexual orientation, ethnic group, religious beliefs, disability or any other personal characteristics. It is the Company's policy to give full consideration to suitable applications for employment by disabled persons. Opportunities also exist for employees of the Company who become disabled to continue in their employment or to be trained for other positions in the Company.

Centaur Communications Limited

Directors' report for the year ended 31 December 2022 (continued)

Other stakeholders

Similarly, from the perspective of the Directors, as a result of the Group governance structure, the Group Board has taken the lead in carrying out the duties of a board in respect of the Company's other stakeholders. The Directors of the Company have also considered relevant matters where appropriate. An explanation of how the Directors on the Group Board have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year, is set out (for the Group and for the Company) in the environmental, social and governance section of the strategic report in the Group's 2022 Annual Report, which does not form part of this report.

Events after the reporting period

No material events have occurred after the reporting date except the commencement of the new office lease from 1 January 2023 as disclosed in notes 18 and 26.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws 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 the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

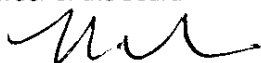
- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates 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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

By order of the Board



Simon Longfield
Director
9 June 2023

Centaur Communications Limited

Income statement

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Revenue	4	6,274	6,299
Administrative expenses		(5,922)	(6,933)
Operating profit/(loss)	6	352	(634)
Dividends received from subsidiaries	6	6,400	10,349
Intercompany debt forgiven	6	-	(2)
Finance income	7	2,033	1,066
Finance costs	8	(506)	(282)
Profit before taxation		8,279	10,497
Taxation	9	(354)	435
Profit for the year		7,925	10,932

The notes on pages 10 to 32 are an integral part of these financial statements.

A statement of comprehensive income has not been presented as there are no items of other comprehensive income/(loss) other than the profit for the year.

Centaur Communications Limited

Statement of financial position

As at 31 December 2022

		2022	2021
	Note	£'000	£'000
Non-current assets			
Intangible assets	10	773	751
Property, plant and equipment	11	382	2,473
Investments	12	27,842	27,842
Deferred tax assets	13	1,695	1,773
Other receivables	14	-	278
		<u>30,692</u>	<u>33,117</u>
Current assets			
Trade and other receivables	14	36,284	29,513
Cash and cash equivalents	15	4,540	8,873
Short-term deposits	16	8,500	-
		<u>49,324</u>	<u>38,386</u>
Total assets		<u>80,016</u>	<u>71,503</u>
Current liabilities			
Trade and other payables	17	(15,682)	(12,884)
Lease liability	18	-	(1,884)
		<u>(15,682)</u>	<u>(14,768)</u>
Net current assets		<u>33,642</u>	<u>23,618</u>
Non-current liabilities			
Lease liability	18	-	(500)
		<u>-</u>	<u>(500)</u>
Net assets		<u>64,334</u>	<u>56,235</u>
Equity			
Called up share capital	20	1,711	1,711
Share premium		15,819	15,819
Capital redemption reserve		483	483
Other reserves	21	301	259
Retained earnings		46,020	37,963
Total equity		<u>64,334</u>	<u>56,235</u>

The notes on pages 10 to 32 are an integral part of these financial statements.

Centaur Communications Limited

Statement of financial position (continued)

As at 31 December 2022

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006; and
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements of Centaur Communications Limited (registered number 01595235) on pages 6 to 32 were authorised for issue by the Board of Directors on 9 June 2023 and were signed on its behalf by:



Simon Longfield
Director

Centaur Communications Limited

Statement of changes in equity

For the year ended 31 December 2022

	Note	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2021		1,711	15,819	483	212	27,001	45,226
<i>Profit and total comprehensive income for the year</i>		-	-	-	-	10,932	10,932
Capital contribution	21	-	-	-	47	-	47
Tax on share-based payments	13	-	-	-	-	30	30
Balance at 31 December 2021		1,711	15,819	483	259	37,963	56,235
<i>Profit and total comprehensive income for the year</i>		-	-	-	-	7,925	7,925
Capital contribution	21	-	-	-	42	-	42
Tax on share-based payments	13	-	-	-	-	132	132
Balance at 31 December 2022		1,711	15,819	483	301	46,020	64,334

The notes on pages 10 to 32 are an integral part of these financial statements.

Centaur Communications Limited

Notes to the financial statements

For the year ended 31 December 2022

1 General information

The nature of the Company's operations and its principal activities are set out in the strategic report on page 2. The Company is a private limited company and is incorporated and domiciled in the UK. The address of its registered office is 10 York Road, London, SE1 7ND.

2 Significant accounting policies

(a) Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council. Accordingly, the financial statements of the Company have been prepared in accordance with FRS 101, 'Reduced Disclosure Framework'. The financial statements have been prepared under the historical cost convention, as modified by financial liabilities and financial assets measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of Financial Statements' – comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16, 'Property, Plant and Equipment'; and
 - (iii) paragraph 118(e) of IAS 38, 'Intangible Assets'.
- The following paragraphs of IAS 1, 'Presentation of Financial Statements':
 - (i) 10(d) (Statement of Cash Flows);
 - (ii) 16 (Statement of Compliance with all IFRS);
 - (iii) 111 (Cash Flow Statement Information); and
 - (iv) 134–136 (capital management disclosures).
- Paragraphs 45(b) and 46-52 of IFRS 2 "Share-based Payments".
- IAS 7, 'Statement of Cash Flows'.
- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraph 17 of IAS 24, 'Related Party Disclosures' (key management compensation).
- The requirements in IAS 24, 'Related Party Disclosures', to disclose related party transactions entered into between two or more members of a group.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Centaur Media Plc.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

(a) Basis of preparation (continued)

The financial statements of the Company are consolidated into the financial statements of Centaur Media Plc which is the smallest and largest group to consolidate these results. The consolidated financial statements of Centaur Media Plc are available and can be obtained as set out in note 24. The registered office address of the ultimate parent company preparing consolidated accounts is 10 York Road, London, SE1 7ND.

Business combinations

The acquisition method of accounting is used to account for all business acquisitions. The consideration transferred for the acquisition of a business is measured at the aggregate of fair values of assets transferred, liabilities incurred or assumed to the former owners of the acquired business and equity interests issued. Acquisition-related costs incurred are expensed as incurred in profit or loss.

The excess of the aggregate consideration transferred over the fair value of the net assets acquired is recorded as goodwill.

Going concern

The Company is profitable, has net current assets and net assets. The Directors consider the Company has reasonable resources in order to continue in operation for the foreseeable future and accordingly they have adopted the going concern assumption in the preparation of the financial statements.

New and amended standards adopted

No new standards or amendments to standards that are mandatory for the first time for the financial year commencing 1 January 2022 affected any of the amounts recognised in the current year or prior year and is not likely to affect future periods.

New standards and interpretations not yet effective

'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' will be effective for financial periods beginning on or after 1 January 2023. Under this amendment, an entity is required to disclose its material accounting policy information instead of its significant accounting policies. This will therefore impact the detail and number of accounting policies disclosed from the subsequent financial year onwards.

There are no additional standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(b) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates (its functional currency).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the income statement.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

(c) Revenue recognition

Revenue is measured at the transaction price which is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer. The Company recognises revenue earned from contracts as individual performance obligations are met, on a stand-alone selling price basis. This is when value and control of the product or service has transferred, being when the product is delivered to the customer or the period in which the services are rendered as laid out below.

Revenue represents management charges to some Group companies for the provision of services, use of property contracts held by the Company and use of intangible assets and property, plant and equipment held centrally for the Group. Revenue is recognised as earned.

(d) Dividends received from subsidiaries

Dividends received from subsidiaries are recognised in profit or loss when the right to receive payment is established.

(e) Finance income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(f) Finance costs

Finance costs are recognised in the income statement in the period in which they are incurred.

(g) Income tax

The tax expense represents the sum of current and deferred tax.

Current tax is based on the taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available to utilise those temporary differences and losses. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the enacted or substantively enacted tax rates that are expected to apply in the year when the liability is settled, or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity or other comprehensive income, in which case the deferred tax is recognised in equity or other comprehensive income respectively.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

(g) Income tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(h) Leases

Lessee accounting

Under IFRS 16, leases are accounted for on a 'right-of-use model' reflecting that, at the commencement date, the Company as a lessee has a financial obligation to make lease payments to the lessor for its right to use the underlying asset during the lease term. The financial obligation is recognised as a lease liability, and the right to use the underlying asset is recognised as a right-of-use ('ROU') asset. The ROU assets are recognised within property, plant and equipment on the face of the statement of financial position and are presented separately in note 11.

The lease liability is initially measured at the present value of the lease payments using the rate implicit in the lease or, where that cannot be readily determined, the incremental borrowing rate. The incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates the lessee would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment. Subsequently, the lease liability is measured at amortised cost, with interest increasing the carrying amount and lease payments reducing the carrying amount. The carrying amount is remeasured to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

The ROU asset is initially measured at cost which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- an estimate of costs to be incurred at the end of the lease term.

Subsequently, the ROU asset is measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated to write off the cost on a straight-line basis over the lease term.

Using the exemption available under IFRS 16, the Company elects not to apply the requirements above to:

- Short-term leases; and
- Leases for which the underlying asset is of a low value.

In these cases, the Company recognises the lease payments as an expense on a straight-line basis over the lease term, or another systematic basis if that basis is more representative of the agreement.

(i) Impairment of assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events indicate that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the asset's fair value less cost of disposal and its value-in-use. An asset's value-in-use is calculated by discounting an estimate of future cash flows by the pre-tax weighted average cost of capital.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

(j) Investments

Investments in subsidiaries are stated at cost less provision for impairment in value.

Investments are reviewed for impairment whenever events indicate that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the investment's fair value less cost of disposal and its value-in-use. An asset's value-in-use is calculated by discounting an estimate of future cash flows by the pre-tax weighted average cost of capital. Any impairment is recognised in the income statement. If there has been a change in the estimates used to determine the investment's recoverable amount, impairment losses that have been recognised in prior periods may be reversed. This reversal is recognised in the income statement.

(k) Intangible assets

(i) Brands and publishing rights and customer relationships

Separately acquired brands and publishing rights are shown at historical cost. Brands and publishing rights and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Computer software

Computer software that is not integral to the operation of the related hardware is carried at cost less accumulated amortisation. Costs associated with the development of identifiable and unique software products controlled by the Company that will generate probable future economic benefits in excess of costs are recognised as intangible assets when the criteria of IAS 38 'Intangible Assets' are met. They are carried at cost less accumulated amortisation and impairment losses.

(iii) Amortisation methods and periods

Amortisation is calculated to write off the cost or fair value of assets on a straight-line basis over the expected useful economic lives to the Company over the following periods:

Computer software	– 3 to 5 years
Customer relationships	– 3 to 10 years or over the term of any specified contract
Brands and publishing rights	– 5 to 20 years

(l) Property, plant and equipment

See note 2(h) for right-of-use assets. All other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. The historical cost of property, plant and equipment is the purchase cost together with any incidental direct costs of acquisition. Depreciation is calculated to write off the cost, less estimated residual value, of assets, on a straight-line basis over the expected useful economic lives to the Company over the following periods:

Fixtures and fittings	– 5 to 10 years
Computer equipment	– 3 to 5 years
Right-of-use asset	– over the lease term

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

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Notes to the financial statements (continued)

For the year ended 31 December 2022

(m) Employee benefits - post-employment obligations

The Company contributes to a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions to defined contribution schemes are charged to the income statement when employer contributions become payable.

(n) Employee benefits - share-based payments

Where the Company's parent company has granted rights to its equity instruments to employees of the Company, such arrangements are accounted for as equity-settled share-based payment arrangements. In such instances a capital contribution is recognised to the extent that the Company is not charged by its parent company.

The fair value of the employee services received in exchange for the grant of share awards and options is recognised as an expense on a straight-line basis over the vesting period, based on the Group's estimate of the number of options or shares that will eventually vest. Non-market-based performance or service vesting conditions (for example profitability and remaining as an employee of the entity over a specified time period) are included in assumptions about the number of share awards and options that are expected to vest. Market-based performance criteria is reflected in the measurement of fair value at the date of grant.

The impact of the revision to original estimates, if any, is recognised in the income statement, with a corresponding adjustment to equity. When options are exercised, shares are either transferred to the employee from the Employee Benefit Trust or by the parent company issuing new shares.

A deferred tax asset is recognised on share options based on the intrinsic value of the options, which is calculated as the difference between the fair value of the shares under option at the reporting date and exercise price of the share options. The deferred tax asset is utilised when the share options are exercised or released when share options lapse. The accounting policy regarding deferred tax is set out in note 2(g).

(o) Share capital and share premium

Ordinary shares are classified as equity. The excess of consideration received in respect of shares issued over the nominal value of those shares is recognised in the share premium account. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Dividends

Dividends are recognised in the year in which they are paid or, in respect of the Company's final dividend for the year, approved by the shareholders.

(q) Financial instruments

The Company has applied IFRS 9 'Financial Instruments' as outlined below:

(i) Financial assets

The Company classifies and measures its financial assets in line with one of the three measurement models under IFRS 9: at amortised cost, fair value through profit or loss, and fair value through other comprehensive income. Management determines the classification of its financial assets based on the requirements of IFRS 9 at initial recognition.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

(q) Financial instruments (continued)

(i) Financial assets (continued)

They are included in current assets, except for maturities greater than 12 months after the reporting date which are classified as non-current assets. The Company's financial assets comprise trade and other receivables, short-term deposits and cash and cash equivalents in the statement of financial position.

(iii) Trade receivables

Trade receivables are accounted for under IFRS 9 being recognised initially at fair value and subsequently at amortised cost less any allowance for expected lifetime credit losses under the 'expected credit loss' model. As mandated by IFRS 9, the expected lifetime credit losses are calculated using the 'simplified' approach.

A provision matrix is used to calculate the allowance for expected lifetime credit losses on trade receivables which is based on historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The allowance for expected lifetime credit losses is established by considering, on a discounted basis, the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying those shortfalls by the probability of each scenario occurring. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The allowance is the sum of these probability weighted outcomes. The allowance and any changes to it are recognised in the income statement within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement. The Company defines a default as failure of a debtor to repay an amount due as this is the time at which our estimate of future cash flows from the debtor is affected.

(iii) Short-term deposits

Short-term deposits include cash held on deposit for a term of greater than three months or not readily convertible to known amounts of cash.

(iv) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits repayable on demand or maturing within three months from the date of acquisition.

(v) Financial liabilities

Debt and trade and other payables are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost.

Interest expense on debt is accounted for using the effective interest method and is recognised in finance costs in the income statement.

(vi) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(vii) Receivables from and payables to group undertakings

The Company has amounts receivable from and payable to group undertakings which are recognised at fair value. Amounts receivable from group undertakings are assessed annually for recoverability under the requirements of IFRS 9.

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Notes to the financial statements (continued)

For the year ended 31 December 2022

3 Key accounting assumptions, estimates and judgements

The preparation of financial statements under FRS 101 requires the use of certain key accounting assumptions and requires management to exercise its judgement and to make estimates. Those that have the most significant effect on the amounts recognised in the financial statements or have the most risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

(i) Carrying value of investments and intangible assets estimate

In assessing whether investments and intangible assets are impaired, the Company uses a discounted cash flow model which includes forecast cash flows and estimates of future growth. If the results of operations in future periods are lower than included in the cash flow model, impairments may be triggered. A sensitivity analysis has been performed on the value-in-use calculations. Further details are included in note 12.

Other areas of judgement and accounting estimates

The financial statements include other areas of judgement and accounting estimates. While these areas do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties. The other areas of judgement and accounting estimates are:

- Deferred tax (estimation of forecasted future taxable profits) refer to notes 2(g) and 13;
- Recoverability of amounts owed by Group undertakings (future profitability of related entities) refer to notes 2(q)(vii) and 14;
- Lease liabilities (lease term judgement) refer to notes 2(h) and 18;
- Lease liabilities (IBR rate estimate) refer to notes 2(h) and 18; and
- Share-based payment expense (estimation of fair value) refer to notes 2(n) and 22.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

4 Revenue

Revenue by type:

	2022	2021
	£'000	£'000
Management fees charged to fellow subsidiaries	6,274	6,299

All of the revenue generated related to management recharges to group undertakings for the services that the Company provides to the Group.

Analysis of revenue by geography:

	2022	2021
	£'000	£'000
United Kingdom	6,274	6,299

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

5 Directors and employees

	2022	2021
	No.	No.
The average monthly number of employees was:		
Administration	6	6
Central shared services (recharged to group undertakings)	35	33
	41	39

		2022	2021
		£'000	£'000
Aggregate remuneration comprised:	Note		
Wages and salaries		2,502	3,257
Social security costs		330	389
Pension contributions		172	123
Employee benefits expense		3,004	3,769
Share-based payment expense	22	50	54
		3,054	3,823

The Company holds contracts of service with all employees of the Group (excluding directors) and pays all employees of the Group (including directors) and recharges the costs to the relevant group companies. Employee disclosures are made in each group company in respect of employee costs and the average number of employees.

Disclosure of directors' remuneration is included in note 25.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

6 Profit before taxation

Operating profit/(loss) for the year has been arrived at after charging/(crediting):

	Note	2022 £'000	2021 £'000
Employee benefits expense	5	3,004	3,769
Amortisation of intangible assets	10	434	786
Impairment of intangible assets	10	-	55
Depreciation of property, plant and equipment	11	2,022	1,803
Net impairment of trade receivables	14	(2)	187
Share-based payment expense	22	50	54

The operating profit is also stated after (crediting)/charging the following one-off items:

Exceptional costs			
Gain on remeasurement of lease	11,18	(151)	-
Lease termination fee	11,18	243	-
Total one-off items		<u>92</u>	<u>-</u>

Additionally, the profit for the year has been stated after (crediting)/charging the following non-operating items:

Dividends received from subsidiaries	(6,400)	(10,349)
Intercompany debt forgiven	-	2
Total non-operating items	<u>(6,400)</u>	<u>(10,347)</u>

Termination of lease

As a result of the termination of the London property lease, a net gain of £151,000 was recognised on remeasurement of the lease liability and respective proportionate adjustment to the ROU asset. The termination fee was included in the measurement of the ROU asset at the time of the remeasurement, therefore the £243,000 is recognised in depreciation. Refer to note 18 for further details.

Dividends received from subsidiaries

The Company received total dividends of £6,400,000 from the following subsidiaries during the year; Xeim Limited (£3,900,000) and TheLawyer.com Limited (£2,500,000). These were both final dividends relating to 2021 that were proposed and received during the current year.

During the prior year the Company received total dividends of £10,349,000 from the following subsidiaries; Chiron Communications Limited (£9,286,000) and Market Makers Incorporated Limited (£1,063,000).

Intercompany debt forgiven

The net loss from intercompany debt forgiven by fellow subsidiaries for the year was £nil (2021: £2,000).

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

7 Finance income

		2022	2021
	Note	£'000	£'000
Interest receivable from group companies	14	1,948	1,065
Interest income from cash and cash equivalents		17	1
Interest income from short-term deposits	16	68	-
		<u>2,033</u>	<u>1,066</u>

Interest income from short-term deposits

Interest income from short-term deposits is calculated using the effective interest method and is recognised in the income statement. Refer to note 16 for further details.

8 Finance costs

		2022	2021
	Note	£'000	£'000
Interest payable to group companies	17	453	215
Lease interest	18	51	67
Other finance costs		2	-
		<u>506</u>	<u>282</u>

Lease interest

A lease liability is recognised for the Company's property lease and £51,000 of interest was incurred during the year (2021: £67,000). Please refer to notes 2(h) and 18 for further details.

9 Taxation

	2022	2021
	£'000	£'000
Analysis of charge/(credit) for the year		
Current tax		
UK Corporation Tax	-	(210)
Adjustment in respect of the prior year	144	-
	<u>144</u>	<u>(210)</u>
Deferred tax		
Current year	408	(140)
Adjustment in respect of the prior year	(198)	(85)
	<u>210</u>	<u>(225)</u>
Taxation charge/(credit)	<u>354</u>	<u>(435)</u>

Corporation tax is calculated at 19% (2021: 19%) of the estimated taxable profit for the year.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

9 Taxation (continued)

The tax charge/(credit) for the year can be reconciled to the profit in the income statement as follows:

	2022	2021
	£'000	£'000
Profit before taxation	8,279	10,497
Tax at the UK rate of corporation tax of 19% (2021: 19%)	1,573	1,994
Effects of:		
Expenses not deductible in determining taxable	(1)	(1)
Additional deduction for capital allowances	(43)	-
Changes in tax rate on deferred tax balances	158	(418)
Adjustment in respect of prior years	(54)	(85)
Dividends received	(1,216)	(1,966)
Share-based payments	(63)	41
Taxation	354	(435)

The Finance Act 2021 included provisions to increase the main rate of corporation tax to 25% from 1 April 2023. This change had been substantively enacted at the reporting date. In prior year, tax losses were remeasured using the enacted tax rate (25%). In the current year, the remaining losses have been remeasured at the blended tax rate of 23.5% to reflect the expected utilisation of tax losses in 2023.

10 Intangible assets

	Computer software	Customer relationships	Brands and publishing rights	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2022	10,586	955	183	11,724
Additions (separately acquired)	85	-	-	85
Additions (internally generated)	371	-	-	371
At 31 December 2022	11,042	955	183	12,180
Accumulated amortisation				
At 1 January 2022	9,942	869	162	10,973
Charge for the year	327	86	21	434
At 31 December 2022	10,269	955	183	11,407
Carrying amount				
At 31 December 2021	644	86	21	751
At 31 December 2022	773	-	-	773

Amortisation of intangible assets is included in administrative expenses in the income statement.

Intangible assets are tested annually for impairment in accordance with IAS 36 'Impairment of Assets' by comparing the carrying value with its recoverable amount. There was no impairment in the current year.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

11 Property, plant and equipment

	Fixtures and fittings £'000	Computer equipment £'000	ROU asset - property £'000	Total £'000
Cost or valuation				
At 1 January 2022	71	1,028	5,892	6,991
Additions	21	273	-	294
Remeasurement of ROU asset	-	-	(120)	(120)
Disposals	-	-	(5,772)	(5,772)
At 31 December 2022	92	1,301	-	1,393
Accumulated depreciation				
At 1 January 2022	59	781	3,678	4,518
Charge for the year	7	164	2,094	2,265
Disposals	-	-	(5,772)	(5,772)
At 31 December 2022	66	945	-	1,011
Carrying amount				
At 31 December 2021	12	247	2,214	2,473
At 31 December 2022	26	356	-	382

Depreciation of property, plant and equipment is included in administrative expenses in the income statement.

Depreciation of the ROU asset includes a £243,000 termination fee which was included in the cost of the ROU asset in the remeasurement upon the agreement of the lease termination (see note 18).

12 Investments

	Investment in subsidiary undertakings £'000
Cost	
At 1 January 2021, 31 December 2021 and 31 December 2022	42,115
Accumulated impairment	
At 1 January 2021, 31 December 2021 and 31 December 2022	14,273
Net book value	
At 31 December 2021 and 31 December 2022	27,842

Acquisition

There were no acquisitions in the current year.

On 19 July 2021, the Company entered into a Share Transfer Agreement with Chiron Communications Limited, a fellow Group subsidiary, to purchase the allotted and issued share capital of Mayfield Publishing Limited, a fellow Group subsidiary. The share transfer was effected in line with the Group's strategy to simplify its structure, to improve operational execution and to focus attention on leading brands.

Consideration was in the form of an intercompany loan of £3 issued in favour of Chiron Communications Limited, a fellow Group subsidiary, from the Company, at an amount equal to the issued share capital of Mayfield Publishing Limited. This was fully settled during the prior year.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

12 Investments (continued)

Impairment testing of investments

In assessing whether an impairment of investments is required, the carrying value of each investment is compared with its recoverable amount. The recoverable amount is measured based on value-in-use ('VIU'). The Group estimates the VIU using a discounted cash flow model, which adjusts the cash flows for risks associated with the assets and discounts these using a pre-tax rate of 9.9% (2021: 10.3%), in line with the Group's weighted average cost of capital. The key assumptions used in calculating VIU are revenue growth, margin, adjusted EBITDA growth, discount rate and the terminal growth rate. Forecasts for the first three years of the calculation have been used, and a terminal growth rate of 2.5% (2021: 2.5%) has been applied, in line with that used at Group. In the impairment assessment, sensitivities are applied to each of the key assumptions and variables in isolation and in combination, in order to determine if any impairment is necessary.

In the current year no impairment was identified in relation to the Company's investments and at 31 December 2022 the carrying value of each investment is fully supported by the future cash flows of those subsidiaries (2021: no impairment).

Subsidiaries

In order to simplify the Group structure, the process to close dormant companies commenced during the prior year.

The following subsidiaries were dissolved during the year:

Name	Percentage owned %	Principal activities	Country of incorporation	Date of closure
Pro-Talk Ltd	100	Dormant	United Kingdom	20 December 2022
Taxbriefs Limited	100	Dormant	United Kingdom	20 December 2022

The Company held interests in the following subsidiaries as at 31 December 2022:

Name	Percentage owned %	Principal activities	Country of incorporation
Centaur Media USA Inc. ^{1,2}	100	Digital information services	United States
Chiron Communications Limited ³	100	In liquidation	United Kingdom
E-consultancy LLC ^{1,2}	100	Holding company	United States
E-consultancy.com Limited	100	Digital information services	United Kingdom
Market Makers Incorporated Limited	100	In liquidation	United Kingdom
Taxbriefs Holdings Limited ⁴	100	Holding company	United Kingdom
TheLawyer.com Limited	100	Digital information services	United Kingdom
Xeim Limited	100	Digital information services	United Kingdom

¹ Registered address is 244 Fifth Avenue, Suite 1297, New York, NY 10001, USA. Functional currency is USD.

² Owned by subsidiary undertaking. Other subsidiaries are directly owned by the Company.

³ Chiron Communications Limited was subsequently dissolved on 11 January 2023.

⁴ Taxbriefs Holdings was subsequently dissolved on 4 April 2023.

The registered address of all subsidiary companies, with the exception of those identified above, is 10 York Road, London, SE1 7ND, United Kingdom. The functional currency of all subsidiaries is GBP except for those identified above.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

13 Deferred tax assets

The following are the major deferred tax assets recognised by the Company and movement thereon during the current and prior year.

	Accelerated capital allowances £'000	Other timing differences £'000	Tax losses £'000	Total £'000
At 1 January 2021	352	27	1,139	1,518
Adjustments in respect of prior period	(41)	82	44	85
Credit/(charge) to income statement	41	(64)	163	140
Credit to statement of changes in equity	-	30	-	30
At 31 December 2021	352	75	1,346	1,773
Adjustments in respect of prior period	(11)	-	209	198
(Charge)/credit to income statement	(203)	99	(304)	(408)
Credit to statement of changes in equity	-	132	-	132
At 31 December 2022	138	306	1,251	1,695

Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

A deferred tax asset of £1,251,000 (2021: £1,346,000) has been recognised in respect of £5,321,000 (2021: £5,382,000) of tax losses. The Group generated taxable profits in 2022 and is expected to generate taxable profits from 2023 onwards. The losses can be carried forward indefinitely and have no expiry date as long as the companies that have the losses continue to trade. The Company is expected to continue to trade and current forecasts indicate that the losses will be utilised over approximately the next two years.

At 31 December 2022, the Company has unrecognised deferred tax assets of £723,000 (2021: £1,523,000) relating to carried forward capital losses of £2,893,000 (2021: £6,090,000). Unrecognised capital losses are recoverable against future capital gains.

14 Trade and other receivables

	2022 £'000	2021 £'000
Amounts falling due within one year		
Trade receivables	49	72
Less: expected credit loss	(31)	(31)
Trade receivables - net	18	41
Amounts owed by group undertakings	35,656	29,121
Other receivables	339	7
Prepayments	271	344
	36,284	29,513
Amounts falling due after one year		
Other receivables	-	278

Amounts owed by group undertakings are unsecured, are repayable on demand, and bear interest at an annual rate of 5.68% (2021: 3.45%).

Other receivables falling due within one year include £278,000 (2021: £278,000 amount falling due after one year) in relation to a deposit on the London property lease which is fully refundable at the end of the lease term. The current London property lease ended on 31 December 2022. Refer to note 18 and 26 for further detail.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

15 Cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	<u>4,540</u>	<u>8,873</u>

16 Short-term deposits

	2022 £'000	2021 £'000
Short-term deposits	<u>8,500</u>	<u>-</u>

In October 2022, £3,500,000 was placed in a short-term deposit for a four-month fixed term, accruing interest at a fixed annual rate of 2.50%. In December 2022 a further £5,000,000 was placed in a short-term deposit for a five-month fixed term, accruing interest at a fixed annual rate of 2.85%. Interest for both short-term deposits is to be paid on maturity (2021: £nil). These amounts remain in short-term deposits at year end. Refer to note 7 for further detail.

17 Trade and other payables

	2022 £'000	2021 £'000
Trade payables	692	973
Amounts owed to group undertakings	9,726	7,208
Accrued expenses	2,724	2,906
Other creditors	570	905
Social security and other taxes	587	892
Corporation tax	1,383	-
	<u>15,682</u>	<u>12,884</u>

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and bear interest at an annual rate of 5.68% (2021: 3.45%).

The Directors consider that the carrying amount of the trade payables approximates their fair values.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

18 Lease liability

The lease liability reflected below relates to a property lease, for which a corresponding right-of-use ('ROU') asset is held on the statement of financial position within property, plant and equipment and detailed in note 11.

	2022 £'000	2021 £'000
At 1 January	2,384	3,375
Remeasurement of lease liability	(271)	978
Interest expense	51	67
Cash outflow - lease payments	(1,921)	(2,036)
Cash outflow - termination fee	(243)	-
At 31 December	-	2,384
Current	-	1,884
Non-current	-	500
At 31 December	-	2,384

There was one lease agreement in place during the year. In June an option to extend the lease was exercised, resulting in an increase to the lease liability and a corresponding increase to the ROU asset. Subsequently, in October, an agreement to terminate the lease was signed, bringing the end date forward to 31 December 2022. This changed the lease term judgement previously made, and the lease liability was therefore remeasured. These two remeasurements resulted in the net decrease in lease liability of £271,000. The remeasurement upon agreement to terminate resulted in a proportionate adjustment to the ROU asset and lease liability based on the carrying values at the effective date, resulting in a gain on remeasurement of £151,000. In exiting the lease, the Company incurred a £243,000 termination fee. These are both recognised within administration expenses in the income statement. Refer to note 6 for further details.

A new lease agreement has been entered into with a commencement date of 1 January 2023, and therefore a lease liability and corresponding ROU asset will be recognised on 1 January 2023. This lease has a term of three years until 31 December 2025, with lease payments/cash outflows of £972,000 for the first year of the lease term, increasing by 3.5% annually thereafter. Refer note 26 for further details.

During the prior year, the lease liability for the Company's property in London was remeasured upon reassessment of the lease term, resulting in an increase of £978,000. The amount of the remeasurement of the lease liability was recognised as an adjustment to the ROU asset.

19 Pension schemes

The Company contributes to individual and collective money purchase pension schemes in respect of employees once they have completed the requisite period of service. The charge in the period in respect of these defined contribution schemes is shown in note 5. Included within other payables is an amount of £92,000 (2021: £76,000) payable in respect of money purchase pension schemes held on behalf of the Group. £2,000 (2021: £3,000) of this is related to the Company.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

20 Called up share capital

	£'000
Authorised, issued and fully paid share capital at 31 December 2021 and 31 December 2022	
17,108,096 ordinary shares of 10p each	<u><u>1,711</u></u>

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

21 Other reserves

Other reserves of £301,000 relate to capital contributions in respect of share-based payments from the ultimate parent company Centaur Media Plc. £42,000 was charged in the year (2021: £47,000).

22 Share-based payments

	2022 £'000	2021 £'000
Share-based payment expense	<u><u>50</u></u>	<u><u>54</u></u>

The Group operates a Long-Term Incentive Plan ('LTIP') for Executive Directors and selected senior management. The Company participates in this pre-existing incentive policy which was approved by shareholders of the ultimate controlling parent company at the 2016 AGM. Full details of how the plan operates and movements in the year are available in the Remuneration Report and note 22 of the Centaur Media Plc Group financial statements which are available from <https://www.centaurmedia.com/investors/financial-results>.

The Group's share-based payment plans are equity-settled upon vesting.

The current year share-based payment expense includes a capital contribution of £42,000 for share-based payments charged from the Company's ultimate parent company, Centaur Media Plc.

Share Incentive Plan

The Group has a Share Incentive Plan, which is an HMRC approved Tax-Advantaged plan, which provides employees with the opportunity to purchase shares in the ultimate controlling parent company. This plan is open to all employees who have been employed by the Group for more than three months. Employees may invest up to £1,800 per annum (or 10% of their salary if less) in ordinary shares in the ultimate controlling parent, which are held in trust. The shares are purchased in the open market and are held in trust for each employee. The shares can be withdrawn with tax paid at any time, or tax-free after five years. The Group matches the contribution with a ratio of one share for every two purchased. Other than continuing employment, there are no other performance conditions attached to the plan. Further details are available in note 22 of the Centaur Media Plc Group financial statements.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

22 Share-based payments (continued)

Long-Term Incentive Plan

Grant of LTIP awards in 2022

The performance conditions for the options granted in 2022 were:

Performance condition	Weighting	Measurement period	Targets
Group Adjusted Basic EPS ¹	One-third	3 years to 31 December 2024	<ul style="list-style-type: none"> • 0% vesting below threshold¹ • 25% vesting at threshold¹ • 100% vesting at target¹ EPS • Straight-line vesting between 25% and 100%
Group Adjusted EBITDA ¹	One-third	3 years to 31 December 2024	<ul style="list-style-type: none"> • 0% vesting below threshold¹ • 25% vesting at threshold¹ • 100% vesting at target¹ EBITDA • Straight-line vesting between 25% and 100%
Relative TSR vs FTSE SmallCap index (excluding investment trusts)	One-third	3 years to 31 December 2024	<ul style="list-style-type: none"> • 0% vesting below median • 25% vesting at median • 100% vesting at upper quartile or above • Straight-line vesting between 25% and 100%

¹ Adjusted results are defined within the Centaur Media Plc Group financial statements for the year ended 31 December 2022. The performance targets for Adjusted Basic EPS and Adjusted EBITDA for the three years, derived from the Group's three-year plan, are commercially sensitive and are not disclosed. They will remain commercially sensitive during the three-year period of performance until the calculation is performed and disclosed in the 2024 Centaur Media Plc Group financial statements.

LTIP awards granted in 2020 and 2021

Performance conditions, weightings and targets for options granted in 2020 and 2021 are substantially similar to the performance conditions for options granted in 2022 above, with the exception of the second performance condition based on Group Adjusted EBITDA margin rather than Group Adjusted EBITDA. The measurement periods for options granted in 2020 and 2021 are three years to 31 December 2022 and three years to 31 December 2023 respectively, except for the TSR performance period for options granted in 2020 which is three years to 30 June 2023.

Vesting of 2020 LTIP awards

The Group Adjusted Basic EPS and Group Adjusted EBITDA margin performance conditions were met for the period ended 31 December 2022. Options associated with these performance conditions will vest on 30 June 2023. The TSR performance is currently in the upper quartile and options associated with this performance condition are expected to vest on 30 June 2023. Refer to details in the Remuneration Report of the 2022 Centaur Media Plc Group financial statements which are available from <https://www.centaurmedia.com/investors/financial-results>.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

22 Share-based payments (continued)

Lapse of 2019 LTIP awards

The performance conditions for the options granted in 2019 and percentages that vested in 2022 were:

Performance condition	Weighting	Measurement period	Targets	Vesting
Profitable revenue growth	50%	3 years to 31 December 2021	<ul style="list-style-type: none"> • 0% vesting below 50% (£2.0m growth) • 25% vesting at 50% (£2.0m growth) • 100% vesting (£4.0m growth) • Pro rata on a straight-line basis between 25% and 100% 	0%
Adjusted Group EBITDA margin growth	50%	3 years to 31 December 2021	<ul style="list-style-type: none"> • 0% vesting below 13.1% • 100% vesting at 15.9% • Pro rata straight-line vesting between Nil and 100% 	0%

The profitable revenue growth and Adjusted Group EBITDA margin growth performance conditions were not met for the period ended 31 December 2021. Options associated with these performance conditions therefore lapsed on the vesting date in April 2022.

Vesting of 2018 LTIP awards in prior year

The performance conditions attached to the plan granted to selected senior management on 6 April 2018 were weighted at 50% based on two years' continued employment and 50% for three years' continued employment. In the prior year, on 6 April 2021, the remaining 50% of the LTIP granted on 6 April 2018 to selected senior management vested upon meeting the performance condition of three years' continued employment.

All awards

All options granted vest on the vesting date if the performance conditions are met and the employee is still employed by the Company. All options have a maximum life of three years. Vested options are exercisable for a period of six months after vesting.

All options outstanding at 31 December 2022 had exercise prices of £nil (2021: £nil), and a weighted average remaining contractual life of 1.4 years (2021: 1.3 years).

The number of options that vested, were exercised and were exercisable at the end of the year are disclosed in the Group financial statements. No shares vested, were exercised or were exercisable to employees of the Company during the year. The weighted average share price at the date of exercise for options that were exercised during the prior year was 42.01 pence.

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

23 Dividends

The Company did not propose any dividends in the current or prior year.

24 Controlling party

In the opinion of the Directors, the Company's ultimate parent company and immediate and ultimate controlling party is Centaur Media Plc, a company incorporated in England and Wales and registered at 10 York Road, London, SE1 7ND.

The parent undertaking of the largest and smallest group, which includes the Company and for which group financial statements are prepared, is Centaur Media Plc. Copies of the group financial statements of Centaur Media Plc are available from <https://www.centaurmedia.com/investors/financial-results>.

25 Related party transactions

As a wholly owned subsidiary of Centaur Media Plc, the Company has taken advantage of the exemption under FRS 101 from disclosing transactions with other companies that are a wholly owned member of the Centaur Media Plc group.

The Directors did not receive any emoluments in respect of services to the Company, which are considered incidental to their duties on behalf of the Group. Emoluments for Swag Mukerji and Simon Longfield are disclosed in the Group consolidated financial statements of Centaur Media Plc.

26 Capital commitments

At 31 December 2022, the Company had signed a lease agreement for a London property with a commencement date of 1 January 2023. This lease has a term of three years until 31 December 2025, with lease payments/cash outflows of £972,000 for the first year of the lease term, increasing by 3.5% annually thereafter. There is a deposit for the new London property lease which will be payable from the commencement date of 1 January 2023 of £162,000. This is fully refundable at the end of the lease term.

No additional capital commitments as at 31 December 2022 (2021: £nil).

Centaur Communications Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

27 Contingent liabilities

In March 2021, the Group terminated its £25,000,000 multi-currency revolving credit facility with NatWest and Lloyds which was due to expire in November 2021. It was replaced by a new multi-currency revolving credit facility which consists of a £10,000,000 committed facility and an additional £15,000,000 uncommitted accordion option, both of which can be used to cover the Group's working capital and general corporate needs. In December 2022, the Group took the option to extend the facility for one year and the facility now runs to March 2025, with the option to extend for one further year.

The Company's assets, in addition to other material companies of the Group, are pledged as security. As at 31 December 2022 the loan facility was undrawn (2021: undrawn).

28 Events after the reporting period

No material events have occurred after the reporting date except the commencement of the new office lease from 1 January 2023 as disclosed in notes 18 and 26.