

Registration number: 03578294

The Wireless Group Holdings Limited

Report and financial statements

for the year ended 2 July 2023

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The Wireless Group Holdings Limited

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The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023

The directors present their Strategic Report and the financial statements of the company for the year ended 2 July 2023.

Principal activity

The principal activity of the company is that of a holding company and it does not actively trade.

The profit before tax for the financial year of £3,734,000 (2022 - £1,584,000) relates to dividend income from group and associate undertakings.

Principal risks and uncertainties

The company's trade and activities are largely dependent on other group companies within the Wireless group. Therefore the principal risks and uncertainties are borne by other group companies within the Wireless group and are disclosed in the other group companies' financial statements, specifically talkSport Limited.

Report on compliance with section 172 of Companies Act 2006

Section 172 of the Companies Act 2006 requires company directors to act in a way which promotes the long term success of the company and in doing so to consider the interests of the company stakeholders.

The board for the News UK Group (including Wireless) is situated within News Corp UK & Ireland Limited as this is the highest level trading company within the News UK Group structure. The News Corp UK & Ireland Limited Board ("the Board") has oversight of the following trading News UK group companies: News Group Newspapers Limited; Times Newspapers Limited; News UK & Ireland Limited; talkSPORT Limited; Newsprinters Limited; and Newsprinters (Broxbourne) Limited ("the News UK Group").

During Financial Year 2023, the Board undertook a variety of activities to engage with stakeholders on behalf of the News UK Group and ensured that their status was recognised in the Boardroom.

This section of the report describes the impact of this engagement for the News UK Group and confirms that the Board has at all times during the year under review (and at all other times) acted in the way that they considered, in good faith, would be most likely to promote the success of the News UK Group for the benefit of its members as a whole, and in doing so had regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of operations on the community and the environment;
- the desirability of maintaining a reputation for high standard of business conduct; and
- the need to act fairly as between members.

Engagement with and interests of employees

The Board promotes colleagues' voices to be heard in the Boardroom through a variety of different channels.

Engaging employees

Annually, News UK & Ireland Limited ("News UK") runs an employee engagement survey across the News UK Group to enable it to better understand its colleagues' views on what it is like to work for the company. The results are shared with the Board and business leaders and result in a series of departmental plans being drawn up with the objective of continuing to improve engagement across the business. For the survey conducted in this period we saw improvements in overall completion rate and across the core questions driving overall colleague engagement. 'This company builds teams that are diverse' saw the greatest improvement score year-on-year, along with 'alignment & involvement'.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Report on compliance with section 172 of Companies Act 2006 (continued)

Engagement with and interests of employees (continued)

Engaging employees (continued)

In addition, News UK also encourages potential, current and outgoing employees of the News UK Group to complete experience surveys to ensure that colleagues' opinions are shared throughout their lifecycle with the business. These take the form of recruitment surveys at the point of interview (whether successful or not), onboarding surveys, as well as 360 degree and team effectiveness surveys. News UK also invites colleagues to take part in an exit interview prior to leaving the company both in person and via a survey.

Equity, Diversity and Inclusion

The Board is proud to be building an inclusive business which is a welcoming place for all colleagues to work. Our diversity strategy remains clear as do our targets on representation - 50:50 on gender and 20% on minority ethnic employment. We have 11 well established employee networks which run across the business including News for Parent & Carers; GenZ; Christian Fellowship; Disability Network and many more. A now-well established internship and apprenticeship scheme is in place with a focus on bringing in and developing diverse talent, along with a number of work experience programmes. We launched Britain's first-ever forum and conference aimed at improving representation of disabled staff in newsrooms across the UK and alongside this we invested in accessibility programmes to support our current colleagues and those of the future. We have fostered a number of successful outreach programmes partnering with a range of well-respected organisations including Brixton Finishing School and the Raheem Sterling Foundation. We have also created a number of internally designed and delivered programmes including an Executive Sponsorship scheme and mentoring & coaching programmes.

Health and Wellbeing

The Board considers that wellbeing is the foundation stone of what each of us are able to achieve and has highlighted to employees that it's important to News UK that all colleagues have the support they need to build a strong sense of all round wellbeing.

The Board continues to support, organise and promote talks, competitions and activities, designed to help employees with their wellbeing, and to help employees to help others.

A broad and varied range of support services are available to colleagues including gym membership, health assessment, private medical & mental health support services (via AXA) and an expert in-house occupational health team. Alongside these we have trained a number of colleagues as Mental Health Practitioners and have a very established and engaged network of Mental Health First Aiders. We are proud to have Executive/Board sponsors for each strand of our wellbeing strategy and they help engage and inform our colleagues of all the support and resources available to them as well as encourage them to speak up if they need support and share new thinking, ideas and inspiration. A number of free-to-all tools including Headspace, Peppy and EAP are all easily accessible via our benefits portal for ease of use.

Board Communication

The Board is active in communicating its messages to its employees across a range of formats, from in-person events to bi-annual all hands virtual strategic briefings. Each division holds regular Town Hall events to provide strategic updates, celebrate success and share information from other parts of the business. The Board also shares information directly to staff via email, the intranet and the regular News UK email newsletter, News United. Weekly virtual 'Huddle' events, often hosted by Board members, also provide ways for the company to come together to hear about a range of topics related to the business.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Report on compliance with section 172 of Companies Act 2006 (continued)

Engagement with and interests of employees (continued)

Board Communication (continued)

During the period the Board has updated colleagues on the News UK and News Corp approach to Generative AI. Updates have also covered: the detention of Evan Gershkovich; cyber security; compliance; realignment of business units; strategic priorities; the importance of journalism in Ukraine; several new HR and employee benefits initiatives; charity projects and fundraising; Gender Pay Gap reporting; and EDI strategy updates.

Colleagues continue to be able to report any concerns relating to wrongdoing or misconduct via their line managers; Legal or Compliance; or confidentially via Alertline, News Corporation's whistleblowing service.

Fostering relationships with suppliers, customers and others in a business relationship with the company

Suppliers

All material suppliers have a contractual relationship with News UK for the benefit of the News UK Group.

The Board recognises the integral role that our suppliers play in ensuring the News UK Group delivers a reliable service. In recognition of this, News UK has a Supplier and Contributor Policy and Procurement Guidelines, which govern the News UK Group's engagement with third parties and are reviewed by the Board periodically. The purpose of these policies is to seek to ensure that the News UK Group only engages with third parties that comply with all applicable laws and regulations, and that meet News UK's standards for ethical conduct. It also helps to ensure that the News UK Group's third party database is proportionate to its size and product portfolio.

All third parties must be onboarded via News UK Group's third party risk management tool. This tool enables the News UK Group to better assess the risks of engaging with third parties and exists as part of the News UK Group's wider commitment to complete proportionate and risk-based due diligence on all third parties it engages with. The tool also governs the ongoing management of such third party engagements.

Moreover, certain members of the Board are also engaged each month in a procurement meeting to review relevant activity with third parties for that period. This review provides oversight on contractual relationships, tender activity, projects and financial status. All material approvals for commitments or transactions with third parties must comply with the News UK & Ireland Limited Approval Policy, which sets out thresholds for the levels of approvals required.

Customers

Customers are at the heart of everything that the News UK Group does. During the year, the Board has received updates on consumer Key Performance Indicators (including, but not limited to, print sales, listeners, digital traffic and digital subscriptions) and the businesses' engagement with customers, content themes and improvements to overall customer experience. The Board has also received progress reports on customer service performance updates and on how any issues with customers are resolved, and has had the opportunity to review results and provide feedback on customer insights, analytics and other related data.

Community and Environment

The News UK Group is committed to minimising the impact of its activities on the environment and our sustainability strategy is aligned with the three key News Corp sustainability pillars of Reduce, Engage and Source Responsibly.

Sustainability was the theme of News UK's News Corp Giving scheme in FY22, with the Marine Conservation Society and Trees For Cities receiving a £50,000 donation each. News UK continued to build on the partnership with the Marine Conservation Society throughout FY23, carrying out four beach cleans across the country and collecting over 33 kg of marine litter.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Report on compliance with section 172 of Companies Act 2006 (continued)

Fostering relationships with suppliers, customers and others in a business relationship with the company (continued)

Community and Environment (continued)

The Board regularly hosts internal Huddle events, streamed to all staff, covering sustainability issues. In FY23, we held a week of events to mark Earth Day, which included a Huddle with musician-turned-campaigner Feargal Sharkey, talking about The Times' Clean It Up campaign, and a waste awareness event with our waste partner at The News Building, Recorra. These events are designed to increase engagement with sustainability and to embed a sustainability culture within the organisation.

The News UK Group is committed to managing the wider social, environmental and economic impacts of its operations which includes the way it deals with its customers and manages sustainability issues in its supply chain. Refer to [news.co.uk](https://www.news.co.uk) for further information on News Corp Group's Modern Slavery Statement and Standards of Business Conduct.

Shareholders

The Board provides regular updates to its parent company, News Corporation. The financial results of the News UK Group are reported to News Corporation on a quarterly basis.

For example, a CEO report is prepared for News Corporation each quarter, which provides information on each News UK Group entity, including updates on: revenues and KPIs; subscriptions; changes in senior resource; audience engagement; advertising; sales performance; projects; key legal and HR issues; and technology.

Other examples of communications shared with News Corporation throughout the year include Litigation Reports, Compliance Steering Committee updates and Corporate Audit updates.

Principal decisions of the Board

Realignment of Business Units

In March 2022, the Board made the decision to realign the responsibilities of the Executive team in order to focus on News UK's strategic priorities, namely to: drive digital advertising revenues; grow digital subscribers; accelerate connected listening; launch TV and grow video and CTV advertising revenues; negotiate new partnerships with the big technology platforms; and maximise print revenues.

The Board acknowledged that as a business of very strong consumer brands, each of the strategic priorities needed focus to have the best chance of succeeding. The Board therefore decided that *The Sun*, *The Times* & *The Sunday Times*, and its Broadcasting brands will each run as separate business units, with an executive having responsibility for each to manage all of the revenue and cost levers, giving them a more targeted focus and greater control.

A smaller number of departments continue to work as a centralised resource across the whole business, including Finance, HR, Corporate Affairs and Legal. Technology continues to have centralised oversight and resources, but some roles are dedicated to individual business units.

The Board reminded employees that its brands' readers, listeners and viewers must always be at the heart of everything News UK does. It also highlighted that the realignment would help commercial partners have the opportunity to buy premium advertising inventory across the whole portfolio of brands and formats, reaching those large and sought-after audiences at multiple touch points. The Board emphasised that as a data-led and technology-powered business, the realignment would assist News UK to continue to build audiences and offer ever greater value to its clients.

The realignment continued to take effect during the Financial Year 2023 and is now complete.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Report on compliance with section 172 of Companies Act 2006 (continued)

Principal decisions of the Board

Launch of Talk TV

In April 2022, Talk TV was launched and for the first time, News UK produced and broadcast high quality, live news and current affairs programming.

The Board has been instrumental in shaping how Talk TV operates and has made it clear to all stakeholders that the investment in TV and video infrastructure is key to News UK's digital growth ambitions. The Board attends quarterly meetings focused on Broadcasting where topics are discussed and questions are raised on areas such as: Operational KPIs; Broadcasting Goals; Financials; Commercial updates (e.g. Editorial & Social Media; Marketing & PR); Technology; Distribution; Diversity; Policy and Compliance.

In June 2022, the Board appointed Richard Wallace as Head of TV for News UK Broadcasting. The Head of TV has editorial oversight of all programming and overall responsibility for the budget and P&L, reporting to Scott Taunton, EVP, President of Broadcasting, News UK.

Talk TV has been broadcast fully from The News Building since April 2023, from state-of-the-art studio and gallery facilities, bringing production resources and staff under one roof. There has continued to be a growth in audience - as a channel, TalkTV has over one billion total digital views across all platforms since launch, and averages one million views a day of TalkTV content. The schedule continues to evolve around a presenter roster which includes Piers Morgan, Vanessa Feltz, Jeremy Kyle, Nicola Thorp, Mike Graham and Julia Hartley-Brewer.

The Board's vision is that all News UK's brands should be multi-format and that stories must be reported in the way that audiences want to consume them. The Board has made it clear to stakeholders that to succeed, News UK must be bold and experiment with new and creative ideas. Whilst News UK continues with the written word – through printed newspapers and online – the Board emphasises that audiences also want to listen and watch News UK's reporting, through audio and video, live and on-demand. Existing audiences and younger generations will discover News UK's brands on social media, online in various formats and through streaming platforms. Another example of this has been the growth of thesun.com in the US, a launch which has grown in short order to be the fastest growing new news website in the US.

The Board drives this vision purposefully in its quarterly meetings with the Executive team, which now contains a standalone update on Broadcasting and TV. A full Broadcasting update is also given as part of the News UK bi-annual Board meetings.

The Board has emphasised to stakeholders its part in building and developing other successful TV outputs such as Fox News, Sky News and Sky News Australia, demonstrating News UK's track record of trying new things and doing what it takes to get it right. The Board is confident that it is building infrastructure for the delivery of news and views (from showbiz and sport to politics and business) via streamed and online video that will benefit the whole of its business. The Board notes that advertising revenues for connected TV and for programmatic video are in double digit growth and that News UK is professionalising its output so that all of its brands are well positioned for that growth.

The Board is dedicated to setting out to grow new audiences and find new revenues in order to secure a sustainable future for all of News UK's journalism.

Response to Ukraine

This year, News UK's newsrooms have continued to deliver expert analysis on the war in Ukraine, as employees and all of its readers, listeners and viewers try to make sense of the conflict.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Report on compliance with section 172 of Companies Act 2006 (continued)

Principal decisions of the Board (continued)

Response to Ukraine (continued)

There have been so many examples of world-class reporting – from The Sun's first-hand accounts, vividly depicting the human cost of Putin's invasion, to The Times's brilliant maps and charts, showing the Russian advance – telling the world the truth about what's happening. Times Radio and Talk Radio are brilliantly covering every angle of this rapidly evolving situation, with contributions from newspaper reporters to our live radio reporting and podcasts. Amongst much industry recognition, The Sun's Defence Editor, Jerome Starkey won News Reporter of the Year at the Press Awards and Multimedia Journalist of the Year at the London Press Awards, having reported from the frontline in Ukraine since the invasion by Russia.

News UK and its brands have also continued to stand by imprisoned Wall Street Journal reporter Evan Gershkovich. Our brands have used key moments including the 100th day of his captivity to focus audience attention, and The Times and Times Radio recognise his continued detention on a daily basis.

The Board communicates this fantastic work to employees on an on-going basis and have been actively discussing matters as they arise in the titles and Broadcasting quarterly Board meetings; 1-1s with the Executive teams and on an ad-hoc basis as the situation develops. The Board is also regularly updated by the Health & Safety team on the welfare and security of any employees working in dangerous territories and of sanctions risks by the Compliance team.

Newsprint operations

During the year the group decided to explore options around its Newsprint operations and the long term viability of having 3 print sites given the decline in print volumes across the market. This led to an announcement that one site would potentially close in the following fiscal year.

Subsequent to this announcement News UK and DMG Media entered into discussions around creating and operating as a joint venture for its combined Newsprint and distribution operations across the existing print sites. The potential closure of a News UK print site was put on hold whilst further discussions with DMG Media progressed.

On 3 October it was announced that News UK and DMG Media intend to create a new joint venture for its newspaper production and logistics services. This would create a long term and sustainable future for printed newspapers within the UK.

The planned joint venture is subject to regulatory approval and therefore is not certain.

Engagement with Regulators


The Board receives regular updates on the status of any regulatory issues relating to the News UK Group. These updates are provided by the News UK General Counsel and the Managing Editors, and are discussed at Board meetings. In doing this, the Board monitors News UK Group's compliance with regulatory issues and the actions taken to maintain this such as the implementation of internal training and updates to policies and procedures. In addition, the News UK Group's Legal team provides regular updates to News Corporation on regulatory and reputational issues, and contributes to a Compliance Steering Committee meeting held by News Corporation each quarter.

The Wireless Group Holdings Limited

Strategic Report for the year ended 2 July 2023 (continued)

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

PP


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E. Humphreys
Director

The Wireless Group Holdings Limited

Directors' Report for the year ended 2 July 2023

The directors present their report and the financial statements of the company for the year ended 2 July 2023.

Results and dividends

The profit for the year after taxation, amounted to £3,734,000 (2022 - £1,584,000).

The directors do not recommend a final dividend (2022 - £Nil).

Directors of the company

The directors who held office during the period were as follows:

S.W. Taunton

C.C.S. Longcroft (resigned 25 July 2022)

E. Humphreys (appointed 25 July 2022)

Except as noted above, all directors served throughout the year and are still directors at the date of this report.

The Articles of Association do not require directors to retire either by rotation or in the year of appointment.

Going Concern

The company is in a net current asset position as at 2nd July 2023 and has sufficient resources to settle its liabilities when they become due. The assets are dependent upon the recoverability of intercompany receivables that may require support of the parent.

The directors have considered the financial position and trading activities of the company, including forecasts, for the going concern assessment period to 31 December 2024 (the 'assessment period'). Given the utilisation of, and access to, the group facility indicated above, the ultimate parent undertaking, News Corporation (the 'Parent company') has provided a support letter indicating that they will continue to provide the financial support to enable the company to meet its liabilities as and when they fall due for the assessment period.

The Parent Company will continue to review group and company liquidity needs in light of the business and financial impacts it may face in light of economic factors such as higher rates of interest and inflation and any mitigating actions which may be required. The parent company also has available borrowing capacity under its undrawn \$750 million revolving credit facility.

After making due enquiries and considering the forecasts of the News UK group, incorporating the impact of global macroeconomic inflationary pressures, the general challenging market environment, access to funds through the group facility and the Parent Company support, the directors have a reasonable expectation that the Company has adequate resources to continue in operation and meet its liabilities as they fall due for the going concern assessment period to 31 December 2024. These considerations include the company, as well as the wider News Corp group. Accordingly, the financial statements are prepared on the going concern basis.

Directors' indemnity provision

News Corporation has indemnified all directors of the company against liability in respect of proceedings brought by third parties, except that, in accordance with the Companies Act 2006, no indemnity is provided against: any liability incurred by the director in defending civil proceedings brought by the company, or an associated company, in which the final judgement is given against the director; and liability of the director to pay a fine imposed by criminal proceedings; any liability incurred by the director in defending criminal proceedings in which the director is convicted; any liability of the director to pay a penalty sum to a regulatory authority in respect of non compliance with any requirement of a regulatory nature, howsoever arising; or any liability of the director in connection with an application for relief in which the court refuses to grant him relief. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' report.

The Wireless Group Holdings Limited

Directors' Report for the year ended 2 July 2023 (continued)

Directors' responsibilities statement

The directors acknowledge their responsibilities for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Auditor

The directors have passed a resolution to dispense with the requirement to reappoint auditors annually. Ernst & Young LLP are deemed to be reappointed as auditor in the absence of a notice that the appointment is to be terminated.

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

PP



E. Humphreys
Director

Independent Auditor's Report to the Members of The Wireless Group Holdings Limited

Opinion

We have audited the financial statements of Wireless Group Holdings Limited (the 'company') for the year ended 2 July 2023, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 2 July 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 to 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of the report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of The Wireless Group Holdings Limited (continued)

Other information (continued)

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Members of The Wireless Group Holdings Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

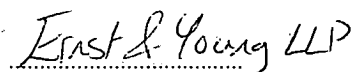
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal matters and compliance. We corroborated these enquiries through our review of policies and board meeting minutes. We reviewed management's entity level controls to understand the company culture of honest and ethical behaviour, including the emphasis on fraud prevention.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through inquiry of management and those charged with governance as to established policies and procedures that exist. We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud and gained an understanding as to how those procedures and controls are implemented and monitored.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations and to respond to the assessed risks. To address the risk of management override of controls we used data analytics to sample from the entire population of journal entries, identifying transactions which did not meet our expectations based on specific criteria, to investigate, gain an understanding and agree to source documentation. Our procedures also included verifying that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through inquiry with management and the Directors, reading of the board meeting minutes and correspondence with the relevant authorities with no indication of non-compliance identified. Furthermore, we performed procedures to conclude on the compliance of disclosures made in the annual report and accounts with all applicable requirements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Independent Auditor's Report to the Members of The Wireless Group Holdings
Limited (continued)**

Use of our report

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

Ernst & Young LLP

Luke Little (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor, Cambridge

Date: 24/11/2023

The Wireless Group Holdings Limited

Profit and Loss Account for the year ended 2 July 2023

	Note	2023 £ 000	2022 £ 000
Dividend income	6	3,734	1,584
Profit before tax		3,734	1,584
Taxation	7	-	-
Profit for the financial year		<u>3,734</u>	<u>1,584</u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Statement of Comprehensive Income for the year ended 2 July 2023

	2023 £ 000	2022 £ 000
Profit for the financial year	3,734	1,584
Total comprehensive income for the financial year	<u>3,734</u>	<u>1,584</u>

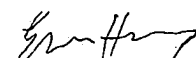
The notes on pages 17 to 24 form an integral part of these financial statements.

The Wireless Group Holdings Limited**(Registration number: 03578294)****Balance Sheet as at 2 July 2023**

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Investments	8	7,822	7,822
Current assets			
Debtors	9	7,563	2,244
Cash at bank and in hand	10	26	805
		7,589	3,049
Creditors: Amounts falling due within one year	11	(806)	-
Net current assets		6,783	3,049
Net assets		14,605	10,871
Capital and reserves			
Called up share capital	12	1	1
Retained earnings		14,604	10,870
Shareholders' funds		14,605	10,871

Approved and authorised by the Board on 21 November 2023 and signed on its behalf by:

pp



 E. Humphreys

 Director

The Wireless Group Holdings Limited

Statement of Changes in Equity for the year ended 2 July 2023

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 4 July 2022	1	10,870	10,871
Profit for the financial year	-	3,734	3,734
Total comprehensive income for the financial year	-	3,734	3,734
At 2 July 2023	1	14,604	14,605

Statement of Changes in Equity for the year ended 3 July 2022

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 28 June 2021	1	9,286	9,287
Profit for the financial year	-	1,584	1,584
Total comprehensive income for the financial year	-	1,584	1,584
At 3 July 2022	1	10,870	10,871

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales under the Companies Act.

The address of its registered office is:

1 London Bridge Street
London
SE1 9GF

These financial statements were authorised for issue by the Board on 21 November 2023.

The nature of the company's operations and its principal activities are set out in the Strategic Report on page 1.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company 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 below.

The financial statements are made up to the Sunday closest to 30 June in each year. Consequently, the financial statements for the current period cover the 52 weeks ended 2 July 2023 (prior period 53 weeks ended 3 July 2022). The financial statements are presented in pounds sterling which is the functional currency of the company, and rounded to the nearest £'000.

Consolidated financial statements

Under Section 401 of the Companies Act 2006 the company is exempt from the requirement to prepare and deliver group financial statements since it is a wholly owned subsidiary of News Corporation which is incorporated in the United States of America and prepares consolidated financial statements. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group.

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of and no objection to the use of exemptions by the company's shareholders. The equivalent disclosures are included in the consolidated financial statements of News Corporation, the ultimate parent undertaking.

The company has taken advantage of the following exemptions:

- (a) From preparing a statement of cash flows and related notes as required by Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- (b) From the financial instruments disclosures as required by FRS 102 paragraph 11.42 to 11.48A and paragraphs 12.26 to 12.27, 12.29 (a) & (b) and 12.29A, including:
 - categories of financial instruments;
 - items of income, expenses, gains or losses relating to financial instruments; and
 - exposure to and management of financial risks.
- (c) From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Going Concern

The company is in a net current asset position as at 2nd July 2023 and has sufficient resources to settle its liabilities when they become due. The assets are dependent upon the recoverability of intercompany receivables that may require support of the parent.

The directors have considered the financial position and trading activities of the company, including forecasts, for the going concern assessment period to 31 December 2024 (the 'assessment period'). Given the utilisation of, and access to, the group facility indicated above, the ultimate parent undertaking, News Corporation (the 'Parent company') has provided a support letter indicating that they will continue to provide the financial support to enable the company to meet its liabilities as and when they fall due for the assessment period.

The Parent Company will continue to review group and company liquidity needs in light of the business and financial impacts it may face in light of economic factors such as higher rates of interest and inflation and any mitigating actions which may be required. The parent company also has available borrowing capacity under its undrawn \$750 million revolving credit facility.

After making due enquiries and considering the forecasts of the News UK group, incorporating the impact of global macroeconomic inflationary pressures, the general challenging market environment, access to funds through the group facility and the Parent Company support, the directors have a reasonable expectation that the Company has adequate resources to continue in operation and meet its liabilities as they fall due for the going concern assessment period to 31 December 2024. These considerations include the company, as well as the wider News Corp group. Accordingly, the financial statements are prepared on the going concern basis.

Related party transactions

As a wholly owned subsidiary undertaking of News Corporation whose financial statements are publicly available, the company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by News Corporation.

Dividends

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

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Tax

Taxation expense for the reporting period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax, including UK corporation tax and foreign tax, is the amount payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are considered as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits or deferred tax liabilities in the foreseeable future against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Investments

Fixed asset investments are recorded at cost and adjustment for any impairment provisions. When an impairment has been identified it is reflected in the profit and loss account.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at present value of future payments, discounted at a market rate of interest, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at the present value of amounts payable discounted at a market rate of interest, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

2 Accounting policies (continued)

Critical judgements

No critical judgements in applying the company's accounting policies have been identified in the current or preceding period.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Impairment of investments

Determining whether investments are impaired requires an estimation of the value in use of the cash generating unit (CGU) to which the investment has been allocated. Key areas of judgement in the value in use calculation include the estimation of future cash flows expected to arise from the CGU, the long term growth rate and a suitable discount rate to apply to cash flows in order to calculate present value. No impairment loss was recognised for the year ended 2 July 2023 (2022 - £nil).

3 Auditor's remuneration

	2023 £ 000	2022 £ 000
Audit of the financial statements	<u>7</u>	<u>6</u>

The auditor's remuneration is borne by another group undertaking without right of recharge.

4 Staff costs

The company did not employ any staff during the year (2022- None).

5 Directors' remuneration

All the Directors are remunerated by other group undertakings. It is considered that the level of their qualifying services to the company is negligible compared to their main roles. There are no management charges from these group undertakings for their services. Consequently they determine that given the level of the services required, that the proportion of their salary relating to their services provided to this company is insignificant. Therefore a £nil apportionment is made (2022: £nil).

6 Dividend income

	2023 £ 000	2022 £ 000
Dividend income from group undertakings	<u>3,734</u>	<u>1,584</u>

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

7 Taxation

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (2022 - lower than the standard rate of corporation tax in the UK) of 20.5% (2022 - 19%).

The differences are reconciled below:

	2023 £ 000	2022 £ 000
Profit before tax	3,734	1,584
Corporation tax at standard rate	765	301
Tax decrease from effect of dividends from UK companies	(765)	(301)
Total tax charge/(credit)	-	-

The UK Corporation Tax rate increased mid-year from 19% to 25%. This was following an announcement of the rate increase in the March 2021 budget which received Royal Assent on 10 June 2021. The rate used in the financial statements is a blended rate consisting of 19% for the year to 31 March 2023 and 25% from 1 April onwards. This leads to a composite rate of 20.5% for the full year.

8 Investments

	Subsidiary undertakings £ 000	Associated undertakings £ 000	Total £ 000
Cost or valuation			
At 4 July 2022	46,686	20	46,706
At 2 July 2023	46,686	20	46,706
Provision			
At 4 July 2022	38,864	20	38,884
At 2 July 2023	38,864	20	38,884
Carrying amount			
At 2 July 2023	7,822	-	7,822
At 3 July 2022	7,822	-	7,822

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

8 Investments (continued)

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held		
			2023	2022	
Subsidiary undertakings					
talkSport Limited	England & Wales	Ordinary shares	100%	100%	
The Wireless Group (ILRs) Limited	England & Wales	Ordinary shares	100%	100%	
Switchdigital Limited (London)	England & Wales	Ordinary shares	80.5%	80.5%	
Switchdigital Limited (Scotland)	Scotland	Ordinary shares	92%	92%	
Pulse FM Limited*	England & Wales	Ordinary shares	100%	100%	
Signal Radio Limited*	England & Wales	Ordinary shares	100%	100%	
Swansea Sound Limited*	England & Wales	Ordinary shares	100%	100%	
Wire FM (1997) Limited *	England & Wales	Ordinary shares	100%	100%	
Talk Radio UK Limited*	England & Wales	Ordinary shares	100%	100%	
TWG Payments Limited*	England & Wales	Ordinary shares	100%	100%	
Independent Radio Group Limited*	England & Wales	Ordinary shares	100%	100%	
Associates					
The Digital Radio Group (London) Limited	England & Wales	Ordinary shares	30.2%	30.2%	

*Held by a subsidiary undertaking

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

8 Investments (continued)

The company tests investments annually for impairment or more frequently if there are indicators that investments may be impaired. The recoverable amounts for the company's investments are measured through review of the investee's net asset position and a value in use calculation, which is compared to the fair value less cost to sell. Value in use is determined by discounting future expected cash flows, based on management approved budgets and long term projections. These reflect management's current experience and future expectations of the markets in which the investments operate. If the value in use calculation has headroom then no further test is performed.

In the year the pre tax discount rate used by the company in its impairment test was 8.5% (2022 - 8%). The long term growth rates used was 2.5% (2022 - 2.5%). This resulted in no impairment reported in the year (2022 - £Nil).

9 Debtors

	2023	2022
	£ 000	£ 000
Amounts owed by related parties	7,137	2,244
Accrued dividend income	426	-
	<u>7,563</u>	<u>2,244</u>

All amounts owed by group undertakings relate to trading balances repayable on demand with no fixed repayment terms and no interest charged.

10 Cash and cash equivalents

	2023	2022
	£ 000	£ 000
Cash at bank	<u>26</u>	<u>805</u>

News Corp UK & Ireland operates a collective overdraft facility with its bankers, which allows individual companies in the News UK group to overdraw subject to an agreed limit of £20 million, not exceeded in aggregate. The overdraft facility is also guaranteed by News Corporation.

11 Creditors

	2023	2022
	£ 000	£ 000
Due within one year		
Amounts owed by group undertakings	805	-
Accruals and deferred income	<u>1</u>	<u>-</u>
	<u>806</u>	<u>-</u>

The Wireless Group Holdings Limited

Notes to the Financial Statements for the year ended 2 July 2023 (continued)

12 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £0.001 each	<u>1,000,000</u>	<u>1,000</u>	<u>1,000,000</u>	<u>1,000</u>

13 Parent and ultimate parent undertaking

The company's immediate parent is The Wireless Group Holdings Limited, incorporated in England and Wales.

The ultimate parent is News Corporation, incorporated in Delaware in the United States.

The smallest and largest group in which the results of the company are consolidated is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY 10036. The consolidated financial statements are available to the public and may be obtained from 1 London Bridge Street, SE1 9GF.