Exterion Leasing (UK) Limited

Annual Reports and Financial Statements

31 March 2020

Registered No. 06423332

Directors
A Booker
D Singer

Registered Office
7th Floor
Lacon House
84 Theobald's Road
London
WC1X 8NL

Strategic Review

The directors present their report for the 15 month period ended 31 March 2020.

Review of Business

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

The Company has extended its reporting period to align with other group companies, therefore the current period is made up of 15 months from 1 January 2019 to 31 March 2020, with the comparative period representing the 12 months to 31 December 2018.

The Company holds a 15% investment in Exterion Partner (BDA) GP (a partnership incorporated in Bermuda) and obtains and provides finance to this company via intercompany balances.

The loss for the year after taxation, which is the only key performance indicator, was nil (2018: loss £1,000).

Principal risks and uncertainties

The principal risk and uncertainty that the Company is exposed to arises from the investments that it holds. As the Company is part of a larger group, the management of the Company does not involve the use of key performance indicators (other than the profit or loss for the year) in measuring the development, performance or the position of the Company. The principal risks and uncertainties are integrated with the principal risks of Global Media & Entertainment Limited. For information on the development, performance, risks, uncertainties and position of Global Media & Entertainment Limited and its subsidiaries and of the key performance indicators used, refer to the Strategic Report included in Global Media & Entertainment Limited Annual Report and Accounts for March 2020, which do not form part of this report.

AJBooker

Anthony Booker
Director
21 December 2020

Directors' report

Registered No. 06423332

The directors present their report and financial statements for the period ended 31 March 2020

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

A Booker
D Singer (appointed 21 May 2019)
R Patel (resigned 21 May 2019)

No Director held any disclosable interest in the issued share capital of the Company or any parent company during the year. The Company maintains liability Insurance, which includes indemnity for its Directors and Officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006, and was in force during the entire financial year and as of the date of approval of the financial statements.

Dividends

No dividend was made during the financial period (2018: £nil).

Future Developments

The Directors believe the current level of activity will continue for the foreseeable future.

Events since the balance sheet date

The Directors acknowledge that Covid-19 was declared a pandemic before year end, however, note that the pandemic has impacted the performance of the Company following the date of these financial statements. The Directors' do not consider this to have an impact on the Company's ability to continue as a going concern. More information on this can be seen within the Going concern assessment within note 2 of these financial statements.

Going Concern

The Company's business activities, together with the factors likely to affect its future development its financial position, financial risk management objectives, details of its financial instruments, and its exposure to interest rate, currency and liquidity risks are described in the Strategic Report on page 4.

The Directors have received suitable representations from Global Media & Entertainment Limited that it will continue to provide sufficient financial support for at least twelve months from the date of approval of the Company's financial statements and thereafter for the foreseeable future, to enable the Company to continue to meet its liabilities as they fall due and to carry on its business

Based on this and other undertakings by its parent company, the Directors believe that it currently remains appropriate to prepare the financial statements on a going concern basis.

On behalf of the Board

AJBooker

Anthony Booker
Director

21 December 2020

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with UK 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 United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 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 these financial statements, the directors are required to:

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

Income Statement

for the 15 month period ended 31 March 2020

	Notes	**Period ended**	**Year ended**
		31.03.2020	**31.12.2018**
		£000	***£000***
Administrative expenses		-	(1)
Operating (loss)	3	-	(1)
(Loss) on ordinary activities before taxation		-	(1)
Tax expense	5		
(Loss) for the year		-	(1)
Other comprehensive (loss)			
Total comprehensive (loss) for the period		-	(1)

All amounts relate to continuing activities.

The Company has no other comprehensive income other than the profit for the year and therefore no separate statement of other comprehensive income has been prepared.

Statement of Financial Position

As at 31 March 2020 and 31 December 2018

	Notes	*2020* *£000*	*2018* *£000*
Non-current assets			
Investments	6	579	579
Total assets		**579**	**579**
Current liabilities			
Creditors	7	(1)	(1)
Net assets/(liabilities)		**578**	**578**
Capital and reserves			
Accumulated profits/(losses)		578	578
Shareholders' equity/(deficit)		578	578

The accompanying notes on pages 8 to 14 form an integral part of these financial statements.

For the 15 month period ending 31 March 2020, the company was entitled to exemption from audit under section 479A of Companies Act 2016 relating to subsidiary companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of Directors on 21 December 2020 and were signed on its behalf by:

AJBooker

Anthony Booker
Director

Company registered number: 064233

Statement of Changes in Equity

for the 15 month period ended 31 March 2020

	Called up share capital *£000*	Share Premium *£000*	Accumulated profits/(losses) *£000*	Total equity *£000*
Balance at 31 December 2017	**-**		**579**	**579**
Total comprehensive income for the year				
Profit for the year	-	-	(1)	**(1)**
Balance at 31 December 2018	**-**		**578**	**578**
Total comprehensive income for the Period				
Loss for the year	-	-	-	**-**
Balance at 31 March 2020	**-**		**578**	**578**

Notes to the financial statements

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Exterion Leasing (UK) Limited (the "Company") for the period ended 31 March 2020 were authorised for issue by the board of directors on 21 December 2020 and the balance sheet was signed on the board's behalf by Anthony Booker. Exterion Leasing (UK) Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The accounting policies that follow have been consistently applied to all years presented. Where retrospective restatements were required as a result of the implementation of new accounting standards or changes to existing accounting standards, these have been applied to all comparative years presented.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Global Media & Entertainment Limited, which prepares group financial statements (see Note 10).

The Company financial statements present information about the Company as a separate entity and not about its group.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 31 March 2020.

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

a. the requirements of IFRS 7 *Financial Instruments: Disclosures*,
b. the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*;
c. the requirements of IAS 7 *Statement of Cash Flows*;
d. the requirements in IAS 24 *Related Party Disclosures*; and
e. the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*

2.1 Judgements and key sources of estimation uncertainty

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in future periods, to the carrying amounts of assets or liabilities affected.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Notes to the financial statements

a. Judgements

Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. For the *purpose of impairment testing, management has calculated value in use by discounting future* cash flows to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to each individual market.

The Company bases its impairment calculation on detailed budget and long range plan. The budget covers the immediately succeeding year and the long range plan covers the following three years. A long-term growth rate is calculated and applied to project future cash flows after the fourth year. The resulting value is compared to the carrying value of the asset to determine any impairment.

b. Estimates

Tax estimates

The company's tax charge is based on the results for the period and tax rates in effect. The determination of appropriate provisions for current and deferred income taxation requires the company to take into account anticipated decisions of tax authorities and estimate the company's ability to utilise tax benefits through future earnings and tax planning. These estimates and assumptions may differ from future events.

2.2 Significant Accounting Policies

Going concern

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

The Global Media & Entertainment group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2023 ("the forecast"). The Board considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Group, of which the Company is a part, can continue to trade for the foreseeable future and operate within its new facility and the associated financial covenants.

Given the global political and economic uncertainty resulting from the Covid 19 pandemic, we have seen significant volatility and business disruption reducing our expected performance in 2020/21. The forecasts and going concern review performed at the Group level has not raised concerns over the ability of the Group, or Company, to continue as a going concern and more details on the Group's response to Covid 19 can be seen within the financial statements of Global Media & Entertainment Limited. Limited.

Non-derivative financial instruments

Non-derivative financial instruments comprise debtors, investments and interest-bearing borrowings.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Investments

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes to the financial statements

Impairment excluding deferred tax assets

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Expenses

Finance expenses

Finance expenses are comprised of interest payable. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset.

Interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

Notes to the financial statements

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

3. Operating profit and exceptional items

This is stated after charging:

	2020	*2018*
	£000	*£000*
Auditors' remuneration	-	1

There were no non-audit services in the current or prior year.

4. Directors' remuneration and employee information

The Company has no employees other than the directors, who did not receive any remuneration (2019 -£NIL).

Notes to the financial statements

5. Tax

(a) Tax on loss for the year

The tax charge for the year is made up as follows:

	2020	*2018*
	£000	*£000*
Recognised in the income statement:		
UK corporation tax on the profits for the year at 19% (2018: 19%)	–	–
Current tax expense	–	–
Deferred tax expense	–	–
Tax expense in the income statement	–	–

(b) Reconciliation of effective tax rate

The tax assessed for the year differs from the blended rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

	2020	*2018*
	£000	*£000*
Profit/(loss) on ordinary activities before tax	-	(1)
Tax using the UK corporation tax rate of 19% (2018: 19%)	-	-
Effects of:		
Non-taxable income	-	-
Surrender of losses of group relief for nil payment	-	-
Group relief	-	-
Tax expense in income statement	-	-

(c) Deferred tax

There are no deferred tax assets or liabilities

(d) Factors that may affect future tax charges

The standard rate of corporation tax in the UK changed from 20% to 19% with effect from 1 April 2017. Changes to UK corporation tax rates were substantially enacted as part of the Finance Bill 2020 (on 22 July 2020). These include cancellation of a planned reduction in the main rate of corporation tax, which now remains at 19% instead of reducing to 17% from 1 April 2020. Accordingly, the effective rate of 19% has been used in the computation of current tax.

6. Investments

	Partnerships £000
Cost:	
At 1 January 2019	8,165
Additions	–
At 31 March 2020	8,165
Impairment:	
At 1 January 2019	(7,586)
Impairment	-
At 31 March 2020	(7,586)
Net book value as at 1 January 2019	579
Net book value as at 31 March 2020	579

The Company's only investment is held in Exterion Partner (BDA) GP, a partnership incorporated in Bermuda. The principal activity of the partnership is the provision of lease finance. The company has a 15% share in the partnership.

7. Creditors

	2020 *£000*	*2018* *£000*
Accruals and other creditors	1	1
	1	1

8. Dividends

During the year the Company declared no dividends (2018: £nil) to its parent, Global Outdoor Media Limited.

9. Issued share capital

Allotted, called up and fully paid	*2020* *£000*	*2018* *£000*
4 (2018 – 4) ordinary shares of £0.01 each	-	-
	-	-

Notes to the financial statements

10. Ultimate parent undertaking and controlling party

The Directors regard Global Outdoor Media Limited, a company incorporated in Great Britain, as the immediate parent company.

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

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