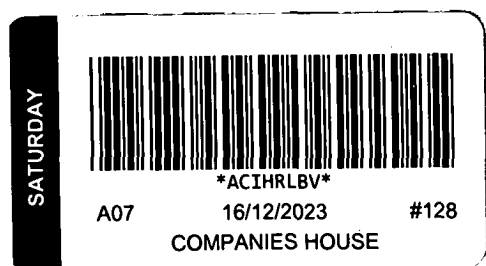


Compact Media Holdings Limited

Consolidated Financial Statements

For the Year Ended 31 March 2023

Company Number 07219303



Compact Media Holdings Limited

Report and financial statements for the year ended 31 March 2023

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Directors

J H Klein (appointed 25 January 2023)
R S Fazzari (appointed 25 January 2023)
M T Rowland
H Murphy (resigned 25 January 2023)
A C Pedecine (resigned 25 January 2023)

Registered office

120 New Cavendish Street
London, W1W 6XX

Company number

07219303

Auditor

Mercer & Hole LLP
21 Lombard Street
London, EC3V 9AH

Compact Media Holdings Limited

Strategic report

The Directors present their Strategic report together with the audited financial statements for Compact Media Holdings Limited (the "Company") for the year ended 31 March 2023.

Principal activities

The Company is a holding company. The Group's principal activity is to act as a provider of services to the media industry including royalty and rights management services, and music licence reporting services.

Review of business and future developments

The Group's primary operations continued to perform in a competitive trading environment.

Following the pandemic, Collection Management Organisations have continued to make distributions of royalties to rights holders in accordance with their distribution. Viewing on both free to air services and over-the-top technology platforms was very high as a result of lockdowns and distribution clients experienced increased demand for their content from broadcasters and platforms which is likely to support future royalty distributions going forwards.

The Group has recognised the need to diversify, in a competitive environment, to increase revenues going forward. Following the completion of its purchase of On Music Limited in August 2021, the Group has continued to integrate the business and developed its systems - a proprietary system for the collection and analysis of film and television broadcast data (the "MRIT System"), and a proprietary database system for music cue sheets pertaining to audio-visual productions (the "Affinity System"). The MRIT System is designed to provide comprehensive exploitation data for audio-visual content across over 200 television channels worldwide. Used in conjunction, the MRIT System and Affinity System also provide valuable data on the exploitation of music in audio-visual works. The purpose of this investment is to develop the MRIT product and thus have an add-on product to sell as a complementary service offering to Compact's existing and prospective clients.

Turnover for the year ended 31 March 2023 was at £7.8m, a decrease of £1.1m on the year. The decrease was due to exceptional royalty management items received in the previous year not being repeated in the current period. However, this was partly offset by an increase of £0.9m in revenue earned by On Music Limited, as it was part of the Group for the full year.

Operating profit decreased to £2.9m from £5.3m in the current year due to the decrease in revenue and higher costs in relation to On Music Limited.

The Group continues to expand its client base for both Audio-Visual Secondary Rights (AVSR) and music publishing, which it sees as an increasing growth opportunity due to the similar needs in reporting and royalty administration and benefits of a centralised service provider.

The Group's plans for the year ahead also include further client recapture of lost clients, collaboration with our parent group and cross-selling services and seeking long-term renewal agreements.

No change in the nature of the Company's principal business is expected in the foreseeable future.

Financial instruments, risk management, principal risks and uncertainties

Whilst all risks may be considered to have a financial impact, the management of the Group's financial resources represents a key area of focus. The financial resources of the Group are managed centrally. Financial risks are faced in ensuring sufficient funds are available to meet the financial commitments as and when they fall due. Senior Management review and manage the cash position of the Group on a daily basis.

The main financial risks arising from the Group's activities are credit risk, interest rate risk and liquidity risk. These are monitored by the Board of Directors and were considered to be manageable at the Balance Sheet date.

Compact Media Holdings Limited

Strategic report (continued)

Financial instruments, risk management, principal risks and uncertainties (continued)

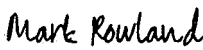
The Group's credit risk policy reflects the policy of the main trading companies. Client activity is closely monitored, and debtor balances are regularly reviewed.

The Group's policy in respect to interest rate risk is for the Board to monitor the level of borrowing to ensure that it is appropriate to the size and nature of the Group. The Group's borrowings attract interest monthly at LIBOR interest rate plus 4%.

The Group's policy in respect of liquidity risk is to monitor its cash balances daily and to carry out cash flow forecasting at a number of levels. Cash is monitored daily, and a month-by-month cash flow forecast is prepared as part of the annual budget and thereafter as and when necessary. Each cash flow forecast enables senior management to plan and make strategic decisions.

Approval

This strategic report was approved on behalf of the Board on 14 December 2023.

DocuSigned by:

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Mark Rowland

Director

Company registration number: 07219303

Compact Media Holdings Limited

Directors' report

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

Results and dividends

The profit for the year after taxation was £1,719,769 (2022: £3,641,666)

No dividends have been proposed by the directors in the year ended 31 March 2023 (2022: £Nil).

Charitable and political contributions

During the year the Group made charitable contributions of £355 (2022: £Nil) and political contributions of £Nil (2022: £Nil).

Going concern

Notwithstanding the net liabilities of £14,412,841 (2022: £16,102,886), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Group has net current liabilities of £968,625 as at 31 March 2023, a profit for the year then ended of £1,719,769 and total cash of £5,439,452, consisting of cash at bank and in hand of £1,925,828 and cash at bank - client monies of £3,513,624.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company and Group will have sufficient funds to meet their liabilities as they fall due during the period covered by the forecasts.

Those forecasts are dependent on Anthem Entertainment L.P. not seeking repayment of amounts currently due to the Group, which at 31 March 2023 amounted to £15,346,739, and continuing to make available such funds as are needed by the Company and the Group for the period covered by the forecasts. Anthem Entertainment L.P. has indicated its intention to continue to make available such funds as are needed by the Company and the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, during the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company and the Group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Directors

The Directors of the Company during the year were:

J H Klein (appointed 25 January 2023)
R S Fazzari (appointed 25 January 2023)
M T Rowland
H Murphy (resigned 25 January 2023)
A C Pedecine (resigned 25 January 2023)

Matters covered in the strategic report

A review of the business, strategic objectives and the principal risks and uncertainties facing the Company are covered in the strategic report.

Compact Media Holdings Limited

Directors' report (continued)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information.

Auditors

Pursuant to Section 485 of the Companies Act 2006, during the year, Mercer & Hole LLP were appointed as auditors. In accordance with the company's articles, a resolution proposing that Mercer & Hole LLP be reappointed as auditor will be put to a general meeting.

On behalf of the Board

DocuSigned by:

Mark Rowland

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M Rowland

Director

Company registration number: 07219303

14 December 2023

Compact Media Holdings Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the group and parent company 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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 Group and parent company and of the Group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMPACT MEDIA HOLDINGS LIMITED**

Opinion

We have audited the financial statements of Compact Media Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 31 March 2023 and of the group's 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. We are independent of the group and parent 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 directors' 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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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 our report, we do not express any form of assurance conclusion thereon. 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF COMPACT MEDIA HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches in Health & Safety and General Data Protection Regulations, and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure, and management bias in accounting estimates.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF COMPACT MEDIA HOLDINGS LIMITED

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- identifying and testing journal entries.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Other matter

The prior year financial statements of the group for the year ended 31 March 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 28 April 2023.

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.

Mercer & Hole LLP

Andrew Turner (Senior Statutory Auditor)
For and on behalf of Mercer & Hole LLP

15/12/2023

Date:

Chartered Accountants
Statutory Auditor

21 Lombard Street
London
EC3V 9AH

Compact Media Holdings Limited

Consolidated profit and loss account for the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	2	7,793,432	8,895,736
Administrative expenses		(4,919,892)	(3,667,105)
Other income	3	9,477	77,244
Operating profit	4	2,883,017	5,305,875
Group's share of profit in associates		-	37,052
Interest receivable and similar income		12,647	2,519
Interest payable and similar charges	7	(815,832)	(881,954)
Profit before taxation		2,079,832	4,463,492
Tax on profit	8	(360,063)	(821,826)
Profit for the financial year		1,719,769	3,641,666

All recognised gains and losses are included in the profit and loss account.

The notes on pages 16 to 31 form part of these financial statements.

Compact Media Holdings Limited

Consolidated statement of other comprehensive income for the year ended 31 March 2023

	Note	2023 £	2022 £
Profit for the year		1,719,769	3,641,666
Foreign exchange difference on translation of foreign operations	16,17	(29,724)	20,019
Revaluation of investment in associates		-	(141,374)
Total comprehensive income		1,690,045	3,520,311

All recognised gains and losses are included in the profit and loss account.

The notes on pages 16 to 31 form part of these financial statements.

Compact Media Holdings Limited**Consolidated balance sheet
at 31 March 2023**

	Note	31 March 2023 £	31 March 2023 £	31 March 2022 £	31 March 2022 £
Fixed assets					
Intangible assets	9	1,789,300		1,595,884	
Tangible assets	10	331,691		195,291	
Investments	11	-		-	
			2,120,991		1,791,175
Current assets					
Debtors	12	2,185,268		1,870,176	
Cash at bank and in hand		1,925,828		1,610,954	
Cash at bank - client monies		3,513,624		7,226,678	
		7,624,720		10,707,808	
Creditors: amounts falling due within one year	13	(8,593,345)		(28,359,288)	
Net current liabilities			(968,625)		(17,651,480)
Total assets, less current liabilities			1,152,366		(15,860,305)
Creditors: amounts falling due after more than one year	14		(15,565,207)		(242,581)
Net liabilities			(14,412,841)		(16,102,886)
Capital and reserves					
Called up share capital	15		13,860		13,860
Share premium account	16		1,372,140		1,372,140
Translation reserve	16		116,288		146,012
Revaluation reserve	16		(141,374)		(141,374)
Profit and loss account	16		(15,773,755)		(17,493,524)
Shareholders' deficit	17		(14,412,841)		(16,102,886)

The notes on pages 16 to 31 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2023.

DocuSigned by:

Mark Rowland

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M Rowland

Director

Company registration number: 07219303

Compact Media Holdings Limited**Company balance sheet
at 31 March 2023**

	Note	31 March 2023 £	31 March 2022 £
Fixed assets			
Investments	11	-	-
		<hr/>	<hr/>
Net assets		-	-
		<hr/>	<hr/>
Capital and reserves			
Called up share capital		13,860	13,860
Share premium account	16	1,372,140	1,372,140
Profit and loss account	16	(1,386,000)	(1,386,000)
		<hr/>	<hr/>
Shareholders' funds	17	-	-
		<hr/>	<hr/>

The notes on pages 16 to 31 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2023.

DocuSigned by:

Mark Rowland

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M Rowland

Director

Company registration number: 07219303

Compact Media Holdings Limited**Consolidated statement of changes in equity
at 31 March 2023**

	Called up share capital £	Share premium account £	Translation reserve £	Revaluation reserve £	Profit and loss account £	Shareholders' deficit £
Balance at 1 April 2022	13,860	1,372,140	146,012	(141,374)	(17,493,524)	(16,102,886)
Profit for the year	-	-	-	-	1,719,769	1,719,769
Other comprehensive income	-	-	(29,724)	-	-	(29,724)
Total comprehensive income for the year	-	-	(29,724)	-	1,719,769	1,690,045
Balance at 31 March 2023	13,860	1,372,140	116,288	(141,374)	(15,773,755)	(14,412,841)

	Called up share capital £	Share premium account £	Translation reserve £	Revaluation reserve	Profit and loss account £	Shareholders' deficit £
Balance at 1 April 2021	13,860	1,372,140	125,993	-	(21,135,190)	(19,623,197)
Profit for the year	-	-	-	-	3,641,666	3,641,666
Other comprehensive income	-	-	20,019	(141,374)	-	(121,355)
Total comprehensive income for the year	-	-	20,019	(141,374)	3,641,666	3,520,311
Balance at 31 March 2022	13,860	1,372,140	146,012	(141,374)	(17,493,524)	(16,102,886)

The notes on pages 16 to 31 form part of these financial statements.

Compact Media Holdings Limited

Company statement of changes in equity at 31 March 2023

	Called up share capital £	Share premium account £	Profit and loss Account £	Shareholders' funds £
Balance at 1 April 2022	13,860	1,372,140	(1,386,000)	-
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 March 2023	13,860	1,372,140	(1,386,000)	-

	Called up share capital £	Share premium account £	Profit and loss account £	Shareholders' funds £
Balance at 1 April 2021	13,860	1,372,140	(1,386,000)	-
Loss for the year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 March 2022	13,860	1,372,140	(1,386,000)	-

The notes on pages 16 to 31 form part of these financial statements.

Compact Media Holdings Limited**Consolidated cash flow statement
for the year ended 31 March 2023**

	31 March 2023 £	31 March 2022 £
Cash flows from operating activities		
Profit for the year	1,719,769	3,641,666
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	251,622	155,838
Loss on disposal of tangible fixed assets	6,284	-
Group's share of profit in associates	-	(37,052)
Interest receivable and similar income	(12,647)	(2,519)
Interest payable and similar expenses	815,832	881,954
Taxation	360,063	821,826
	3,140,923	5,461,713
(Increase) / Decrease in debtors	(272,016)	4,350,586
Decrease in creditors	(4,804,774)	(9,682,814)
	(1,935,867)	129,485
Interest received	12,647	2,519
Interest paid	(8,662)	(1,670)
Tax paid	(878,576)	(566,495)
Net cash used in operating activities	(2,810,458)	(436,161)
Cash flows from investing activities		
Acquisition of intangible fixed assets	(359,771)	(304,207)
Acquisition of tangible fixed assets	(206,300)	(87,351)
Disposal of tangible fixed assets	-	8,956
Acquisition of subsidiary, net of cash	(21,651)	(646,971)
Net cash used in investing activities	(587,722)	(1,029,573)
Decrease in cash & cash equivalents	(3,398,180)	(1,465,734)
Cash and cash equivalents at 1 April	8,837,632	10,303,366
Cash and cash equivalents at 31 March	5,439,452	8,837,632

Included in cash and cash equivalents at 31 March 2023 is cash of £3,513,624 (2022 - £7,226,678) held in the Group's client royalty accounts which is due to be paid to the Group's clients in future periods.

The notes on pages 16 to 31 form part of these financial statements.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023

1 Accounting policies

Compact Media Holdings Limited (the "Company") is a company limited by shares and incorporated and domiciled in England in the United Kingdom. The registered address for the Company is 120 New Cavendish Street, London, W1W 6XX (Company Number 07219303).

These group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling.

The financial statements have been prepared under the historical cost convention.

The parent company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- No separate parent company Cash Flow Statement with related notes is included;
- Key Management Personnel compensation has not been included a second time; and
- The disclosures required by FRS 102.11 Basic Financial Instrument and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Going concern

Notwithstanding the net liabilities of £14,412,841 (2022: £16,102,886), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Group has net current liabilities of £968,625 as at 31 March 2023, a profit for the year then ended of £1,719,769 and total cash of £5,439,452, consisting of cash at bank and in hand of £1,925,828 and cash at bank - client monies of £3,513,624.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company and Group will have sufficient funds to meet their liabilities as they fall due during the period covered by the forecasts.

Those forecasts are dependent on Anthem Entertainment L.P. not seeking repayment of amounts currently due to the Group, which at 31 March 2023 amounted to £15,346,739, and continuing to make available such funds as are needed by the Company and the Group for the period covered by the forecasts. Anthem Entertainment L.P. has indicated its intention to continue to make available such funds as are needed by the Company and the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, during the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company and the Group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

1.2 Basis of consolidation

The consolidated financial statements incorporate the results of Compact Media Holdings Limited and all its subsidiary undertakings as at 31 March 2023.

A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significance influence is presumed to exist when the investors hold between 20% and 50% of the equity voting rights.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent company financial statements, investments in subsidiaries are carried at cost less impairment.

In the consolidated financial statements investments in associates, under the equity method, are carried at cost less impairment and are then subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. Distributions received from the associate reduce the carrying amount of the investment.

The consolidated financial statements incorporate the results of business combinations using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill at the acquisition date as:

- The fair value of the consideration (excluding contingent consideration) transferred; plus
- Estimated amount of contingent consideration (see below); plus
- The fair value of the equity instruments issued; plus
- Directly attributable transaction costs; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

When the excess is negative, this is recognised and separately disclosed on the face of the balance sheet as negative goodwill.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

The results of acquired operations are included in the consolidated profit and loss account from date on which control is obtained. They are deconsolidated from the date control ceases.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

1.3 Foreign Currency

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Any differences are taken to the profit and loss account.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. After initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. After initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment. This is applicable for the separate financial statements of the company.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, including client monies held.

1.5 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Leasehold improvements	-	over length of lease
Plant, machinery and vehicles	-	20% to 33% per annum straight line

Depreciation methods and useful lives are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

1.6 Intangible assets and goodwill

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Other intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Intangible assets acquired in business combinations

For all business combinations the Group and Company recognises intangible assets from goodwill if the intangible meets all of the following three criteria:

- Meets the recognition criteria per FRS 102.18.4; and
- Are separable; and
- Arise from contractual or other legal rights.

In addition, for technology and customer relationships acquired in a business combination entered into on or after 1 January 2020, the Group and Company has also elected to separately recognise these intangible assets from goodwill.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Licences and Intellectual property	-	5 to 10 years
Customer relationships	-	10 years
Goodwill	-	20 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

1.7 Turnover

There are two main type of revenue stream that represents turnover:

- net commissions earned for royalty management services, net of value added tax; and
- revenue from the provision music licence reporting services, net of value added tax.

Commissions are credited to the profit and loss account when earned. This is when the Company has received a declaration from a third party of an intention to remunerate the Company for their royalties due. Commissions are credited to the profit and loss account at the rate stated in the contract, based upon royalties received.

A provision is made where it is anticipated that the advances made against future royalties payable will not be recouped.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

1.7 Turnover (*continued*)

Liabilities in respect of royalties collected, which have been held on the Balance Sheet for more than six and a half years are written off to revenue. During the year ended 31 March 2022 Compact obtained legal advice confirming this treatment of liabilities is correct.

Revenue from the provision of music licence reporting services is credited to the profit and loss account when the work is performed.

1.8 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, interest on finance leases recognised in profit or loss using the effective interest method and net foreign exchange losses.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

1.9 Taxation

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

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 timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

1.10 Accounting estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates.

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

During the year ended 31 March 2023 the Company did not apply any judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Compact Media Holdings Limited

Notes forming part of the financial statements for the year ended 31 March 2023 (*continued*)

1.11 Employee benefits

Defined contribution plans and other long-term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.12 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

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. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. 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 entity'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"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

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.

An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply.

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 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.

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)****1.13 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2	Turnover	2023	2022
		£	£
	Turnover is split between the three different revenue streams as follows:		
	Media consultancy	20,344	23,624
	Royalty management services	5,176,152	7,140,681
	Music licence reporting services	2,596,936	1,731,431
		7,793,432	8,895,736
	By geographical market:		
	United Kingdom	4,048,078	3,978,943
	Non-United Kingdom	3,745,354	4,916,793
		7,793,432	8,895,736
3	Other income		
	The elements of other income are as follows:		
		2023	2022
		£	£
	Northern Ireland investment grant	9,477	71,349
	Other income	-	5,895
		9,477	77,244

During the year £9,477 was recognised by the Group as other income in the profit and loss account in respect of a government grant (2022: £71,349).

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)**

4	Operating Profit	2023	2022
		£	£
	Included in profit are the following:		
	Amortisation of intangible assets	188,006	100,519
	Depreciation of tangible assets	63,616	55,319
	Exchange gains	(195,084)	(222,010)
	Auditor's remuneration:		
	- fees payable to the Group's auditor for the audit of the Group's annual accounts	67,000	83,150
	Group's annual accounts:		
	- taxation compliance services	21,520	20,000
5	Employees	2023	2022
		£	£
	Staff costs:		
	Wages and salaries	3,410,382	2,486,055
	Social security costs	321,004	225,120
	Pension contributions	122,333	120,747
		3,853,719	2,831,922
		2023	2022
		Number	Number
	Average number of employees during the year:		
	Senior management	6	6
	Sales and business development	2	2
	Operations	113	78
	Administration	8	7
		129	93

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)**

6 Directors' remuneration	2023	2022
	£	£
Directors' emoluments	191,750	158,000
Pension contributions	7,050	6,825
	198,800	164,825

Only one Director is remunerated by a Company in this Group. The other two Directors are not remunerated by the Company and are remunerated by the ultimate Parent Company, Anthem Entertainment L.P. During the year, these two directors provided insignificant qualifying services to the Company.

7 Interest payable and similar charges	2023	2022
	£	£
Intercompany loan interest	807,170	880,284
Other loan interest	8,662	1,670
	815,832	881,954

8 Taxation	2023	2022
	£	£
<i>UK corporation tax</i>		
Current tax on profit for the year	400,535	867,539
Adjustments in relation to prior years	(63,618)	(37,890)
	336,917	829,649
<i>Deferred tax</i>		
Origination and reversal of timing differences	35,350	(20,472)
Adjustments in relation to prior years	(12,204)	-
Effect of tax rate change on the opening balance	-	12,649
	23,146	(7,823)
Tax charge on profit	360,063	821,826

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)****8 Taxation (continued)**

The tax assessed for the year differs to the standard rate of corporation tax in the UK applied to the result before tax. The differences are explained below:

	2023 £	2022 £
Profit before tax	2,079,832	4,463,492
Profit at the standard rate of Corporation tax in the UK of 19% (31 March 2022 - 19%)	395,168	848,063
Effects of:		
Expenses not deductible for tax purposes	33,224	(16,069)
Adjustments to corporation tax in relation to prior years	(63,618)	(37,890)
Depreciation on ineligible assets	(11,612)	19,016
Adjustments to deferred tax in relation to prior years	(12,204)	-
Remeasurement of deferred tax of changes in tax rates	19,105	8,706
Current tax charge for the year	360,063	821,826
Movement in deferred tax liability balance		£
Deferred tax liability at 1 April 2022		103,790
Charge to profit and loss account		23,146
Deferred tax liability at 31 March 2023		126,936
Deferred tax assets and liabilities are attributable to the following:		
	31 March 2023 £	31 March 2022 £
Intangible asset timing differences	61,452	67,516
Fixed asset timing differences	68,086	36,274
Other short term timing differences	(2,602)	-
Total	126,936	103,790

The UK deferred tax asset as at 31 March 2023 was calculated at 25% (2022: 25%).

Compact Media Holdings LimitedNotes forming part of the financial statements
for the year ended 31 March 2023 (*continued*)**8 Taxation (*continued*)**

The Group has an unrecognised potential deferred tax asset of:

	31 March 2023 £	31 March 2022 £
Non-trading losses	207,647	207,647
Total	207,647	207,647

These non-trade losses are held within dormant companies and are not utilisable, hence not recognised.

9 Intangible assets

Group	Goodwill £	Technology £	Customer relationships £	Total £
<i>Cost or valuation</i>				
At 1 April 2022	34,871,241	911,498	252,000	36,034,739
Additions	21,651	359,771	-	381,422
Disposals	-	(171,832)	-	(171,832)
At 31 March 2023	34,892,892	1,099,437	252,000	36,244,329
<i>Amortisation</i>				
At 1 April 2022	(34,009,622)	(412,433)	(16,800)	(34,438,855)
Disposals	-	171,832	-	171,832
Charge for the year	(43,887)	(118,919)	(25,200)	(188,006)
At 31 March 2023	(34,053,509)	(359,520)	(42,000)	(34,455,029)
<i>Net book value</i>				
At 31 March 2023	839,383	739,917	210,000	1,789,300
At 31 March 2022	861,619	499,065	235,200	1,595,884

Compact Media Holdings LimitedNotes forming part of the financial statements
for the year ended 31 March 2023 (*continued*)**10 Tangible fixed assets**

Group	Leasehold improvements £	Plant, machinery and software £	Total £
<i>Cost</i>			
At 1 April 2022	235,971	898,926	1,134,897
Additions	-	206,300	206,300
Disposal	(235,971)	(144,298)	(380,269)
At 31 March 2023	-	960,928	960,928
<i>Depreciation</i>			
At 1 April 2022	(235,971)	(703,635)	(939,606)
Disposals	235,971	138,014	373,985
Charge for the year	-	(63,616)	(63,616)
At 31 March 2023	-	(629,237)	(629,237)
<i>Net book value</i>			
At 31 March 2023	-	331,691	331,691
At 31 March 2022	-	195,291	195,291

11 Fixed asset investments

Company	Interest in associated undertakings £
<i>Cost</i>	
At 1 April 2022	1,386,000
Additions	-
At 31 March 2023	1,386,000
<i>Impairment</i>	
At 1 April 2022	(1,386,000)
Impairment in year	-
At 31 March 2023	(1,386,000)
<i>Net book value</i>	
At 31 March 2023	-
At 31 March 2022	-

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)****11 Fixed asset investments (continued)***Subsidiary undertakings, associated undertakings and other investments*

The subsidiaries of Compact Media Holdings Limited, below, all of which are domiciled and registered in the UK (except for Compact Collections Pty Limited), are exempt from the audit of their individual accounts (Section 479a of the Companies Act 2006) due to the existence of a parental guarantee given by this parent undertaking of this group which prepares these consolidated accounts.

The principal undertakings in which the Company's interest at the year-end is 20% or more are as follows:

Name	Company registration number	Country of incorp.	Share capital held	Nature of business
Compact Media Finance Limited	07295943	UK	100%	Holding company
Compact Media Group Limited*	07389270	UK	100%	Holding company
Compact Collections Limited*	03174777	UK	100%	Royalty management
Compact Capital Limited*	06355260	UK	100%	Royalty management
Compact Music Services Limited*	04186128	UK	100%	Music rights administration
Compact Data Limited*	12132845	UK	100%	Data management
On Music Limited*	05574452	UK	100%	Music administration
Compact Collections Pty Limited*	115 983 947	Australia	100%	Royalty management

* Held indirectly

The registered office address for all subsidiaries except On Music Limited and Compact Collections Pty Limited is 120 New Cavendish Street, London W1W 6XX. The registered office address for On Music Limited is Derbyshire House, 8 St. Chads Street, London WC1H 8AG, and the registered office address for Compact Collections Pty Limited is Suite 11.01, Level 11, 60 Castlereagh Street, Sydney, NSW 2000.

12 Debtors

	Group 31 March 2023 £	Group 31 March 2022 £	Company 31 March 2023 £	Company 31 March 2022 £
Trade debtors	305,471	200,381	-	-
Other debtors	1,441,423	1,377,547	-	-
Corporation tax	72,800	-	-	-
Prepayments and accrued income	179,562	185,725	-	-
Deposits	48,775	-	-	-
Amounts due from parent company	137,237	106,523	-	-
	2,185,268	1,870,176	-	-

Compact Media Holdings LimitedNotes forming part of the financial statements
for the year ended 31 March 2023 (*continued*)**13 Creditors: amounts falling due within one year**

	Group 31 March 2023 £	Group 31 March 2022 £	Company 31 March 2023 £	Company 31 March 2022 £
Trade creditors	7,891,012	7,765,753	-	-
Other creditors	231,555	201,972	-	-
Corporation tax	-	468,859	-	-
Accruals	414,855	327,264	-	-
Loans payable	55,923	55,923	-	-
Amounts due to parent company	-	19,539,517	-	-
	8,593,345	28,359,288	-	-

The intercompany loan due to parent company accrues interest monthly at the USA LIBOR interest rate plus 4%.

14 Creditors: amounts falling due after more than one year

	Group 31 March 2023 £	Group 31 March 2022 £	Company 31 March 2023 £	Company 31 March 2022 £
Amount due to parent company	15,346,739	-	-	-
Deferred tax liability (note 8)	126,936	103,790	-	-
Other creditors	-	-	-	-
Loans payable	91,532	138,791	-	-
	15,565,207	242,581	-	-

The loan payable is a Funding Circle loan provided to On Music Limited. This is split between current and non-current liabilities.

15 Share capital

	31 March 2023 £	31 March 2022 £
<i>Allotted, called up and fully paid</i>		
252,000 Ordinary B shares of 1p each (2022 - 252,000)	2,520	2,520
1,134,000 Ordinary A shares of 1p each (2022 - 1,134,000)	11,340	11,340
	13,860	13,860

Each class of share has equal voting and dividend rights and rank *pari passu*.

Compact Media Holdings LimitedNotes forming part of the financial statements
for the year ended 31 March 2023 (continued)**16 Reserves**

	Share Premium Account £	Translation Reserve £	Revaluation Reserve £	Profit and loss Account £
Group				
At 1 April 2022	1,372,140	146,012	(141,374)	(17,493,524)
Profit for the year	-	-	-	1,719,769
Exchange translation differences on consolidation	-	(29,724)	-	-
At 31 March 2023	1,372,140	116,288	(141,374)	(15,773,755)
Company				
			Share Premium Account £	Profit and loss Account £
At 1 April 2022			1,372,140	(1,386,000)
Profit for the year			-	-
At 31 March 2023			1,372,140	(1,386,000)

17 Reconciliation of movement in shareholders' deficit

	Group 31 March 2023 £	Group 31 March 2022 £	Company 31 March 2023 £	Company 31 March 2022 £
Brought forward	(16,102,886)	(19,623,197)	-	-
Profit for the year	1,719,769	3,641,666	-	-
Exchange translation differences	(29,724)	20,019	-	-
Revaluation reserve	-	(141,374)	-	-
Closing shareholders' deficit	(14,412,841)	(16,102,886)	-	-

Compact Media Holdings Limited**Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)****18 Operating leases**

Non-cancellable operating lease rentals are payable as follows:

	Land and buildings 31 March 2023 £	Other 31 March 2023 £	Land and buildings 31 March 2022 £	Other 31 March 2022 £
Operating leases:				
Less than one year	112,919	-	112,919	-
Between one and five years	47,050	-	159,969	-
	<u>159,969</u>	<u>-</u>	<u>272,888</u>	<u>-</u>

During the year £112,919 was recognised by the Group as an expense in the profit and loss account in respect of operating leases (2022 - £107,027).

19 Related party transactions

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 102, section 33.1A "Related party disclosures" not to disclose transactions with members of the Group headed by Compact Media Holdings Limited on the grounds that 100% of the voting rights in the Company are controlled within that Group and the Company is included in consolidated financial statements.

Compact Media Finance Limited received an intercompany loan of £27,530,627 on 27 September 2016 from Anthem Entertainment L.P. This loan transferred to Compact Capital Limited on 1 January 2019, with the loan provider remaining unchanged. The intercompany loan accrues interest monthly at the USA LIBOR interest rate plus 4%. Interest accrued in the year ending 31 March 2023 totalled £807,170 (2022: £880,284).

20 Ultimate parent company

The majority shareholder of the group is Anthem Entertainment L.P. The registered office address for Anthem Entertainment LP is 120 Bremner Blvd, Suite 2900, Toronto, Ontario, M5J 0A8, Canada.