

Doubleplay III Limited

Annual report and financial statements
for the 15 month period ended 31 March 2020

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COMPANIES HOUSE

Directors

Leon Taviansky
Anthony Booker

Registered Office

7th Floor, Lacon House
84 Theobalds Road
London WC1X 8NL

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Strategic Report

The directors of Doubleplay III Limited ("The Company") present their strategic report for the 15 month period ended 31 March 2020.

Review of business

The principal activity of the Company is that of a holding company. 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 period) in measuring the development, performance or the position of the 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's profit after tax for the financial period, which is the only key performance indicator, is £8.6m (2018: £4.9m).

The directors are satisfied that the financial statements give a fair reflection of the results of the Company and of its position at the year end. The directors are not aware of any future developments that will impact the Company.

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.

On Behalf of the Board



Anthony Booker
Director
3 December 2020

Directors' Report

The Directors present their Directors' report and financial statements for period ended 31 March 2020.

Directors

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

- Leon Taviansky
- Anthony Booker
- Rupa Patel (resigned on 21 May 2019)

No Director held any disclosable interest in the issued share capital of the Company. 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.

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



Anthony Booker
Director
3 December 2020

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable UK 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 (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework.' 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 judgements and estimates that are reasonable and prudent; and
- 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 a going concern basis, unless they consider that to be inappropriate.

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 Company's 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 15 month period ended 31 March 2020

	Note	Period ended 31.03.2020 £000	Year ended 31.12.2018 £000
Administrative expenses		(2)	(4)
Impairment of Investments		(5,075)	-
Expected credit loss on loans to affiliated group undertakings		-	(6,090)
Operating loss	3	(5,077)	(6,094)
Finance income, net	4	13,697	11,018
Profit on ordinary activities before taxation		8,620	4,924
Taxation	6	-	-
Profit for the period/year		8,620	4,924

Profit for the period relates entirely to continuing operations.

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

Statement of Financial Position*At 31 March 2020 and 31 December 2018*

	Note	2020 £000	2018 £000
Non-current assets			
Investments	7	146,488	151,563
Current assets			
Other current receivables	8	379,250	358,862
Cash and cash equivalents	9	2	-
		379,252	358,862
Total assets		525,740	510,425
Current liabilities			
Trade and other payables	10	(81,452)	(74,757)
		(81,452)	(74,757)
Total liabilities		(81,452)	(74,757)
Net assets		444,288	435,668
Capital and reserves			
Share capital	11	53	53
Retained earnings		423,898	415,278
Other reserves		20,337	20,337
Total equity		444,288	435,668

The accompanying notes on pages 10 to 18 form an integral part of these financial statements.

For the period ending 31 March 2020, the company was entitled to exemption from audit under section 477 of Companies Act 2016 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the period 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 and were signed on its behalf by:



Anthony Booker
Director
3 December 2020

Statement of Changes in Equity

For the period ended 31 March 2020

	Share Capital £000	Share Premium £000	Retained Earnings £000	Other Reserves £000	Total Equity £000
Balance at 31 December 2017	53	-	410,354	20,337	430,744
Total comprehensive income for the year					
Profit for the year	-	-	4,924	-	4,924
Balance at 31 December 2018	53	-	415,278	20,337	435,668
Total comprehensive income for the period					
Profit for the period	-	-	8,620	-	8,620
Balance at 31 March 2020	53	-	423,898	20,337	444,288

Notes to the financial statements

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

The financial statements of Doubleplay III Limited (the "Company") for the period ended 31 March 2020 were authorised for issue by the board of directors on 3 December 2020 and the balance sheet was signed on the board's behalf by Anthony Booker. The Company is incorporated and domiciled in the United Kingdom.

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 functional and presentation currency is Pound Sterling.

These financial statements are separate financial statements. 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 12).

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

2. Accounting policies

2.1. Basis of preparation

The Company transitioned from EU-adopted IFRS to FRS 101 for all periods presented. There were no material amendments on the adoption of FRS 101. 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*

Notes to the financial statements (continued)

2. Accounting policies (continued)

2.2. Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in Note 6.

2.3. Significant accounting policies

Foreign currency translation

Transactions and balances

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Investments

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

Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. The Company initially measures a financial asset at its fair value. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Notes to the financial statements (continued)

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

Subsequent measurement

The category that is most relevant to the Company is the financial assets at amortised cost. The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method ("EIR") and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes intercompany and other receivables.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for financial assets at amortised cost through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows after exhausting all collection and legal efforts.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instrument in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The relevant category for the Company is loans and borrowings. The Company's financial liabilities include intercompany and other payables.

Subsequent measurement

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Notes to the financial statements (continued)

2. Accounting policies (continued)

2.3. Significant accounting policies (continued)

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

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.

Income taxes

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.

Finance income and expenses

Interest income and interest expense is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Notes to the financial statements (continued)**3. Operating loss**

This is stated after charging

	Period ended 31.03.2020 £000	Year ended 31.12.2018 £000
Professional fees and other administrative costs	2	4
Impairment of Investment (Note 7)	5,075	-
Expected credit loss on loans to affiliated group undertakings (Note 8)	-	6,090
	<u>5,077</u>	<u>6,094</u>

4. Finance income, net

	Period ended 31.03.2020 £000	Year ended 31.12.2018 £000
Interest expense on amounts owed to affiliated undertaking	(6,632)	(5,369)
Interest income on amounts due from affiliated undertakings	20,393	16,455
Foreign exchange loss	(64)	(68)
	<u>13,697</u>	<u>11,018</u>

5. Directors' remuneration and employee information

During the period ended 31 March 2020, the directors of the company received remuneration from Global Outdoor Media Limited ("GOML") and Global Radio Services Limited, and majority of their time was spent on services to GOML. Details of their remuneration as directors of GOML are disclosed in that company's financial statements.

None of the Directors received remuneration in respect of qualifying services to the Company (2018: nil).

No staff were employed by the Company during the period (2018: nil) and therefore no staff costs were incurred (2018: nil).

Notes to the financial statements (continued)**6. Taxation****(a) Tax on profit on ordinary activities**

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

Recognised in the income statement:	Period ended 31.03.2020 £000	Year ended 31.12.2018 £000
UK corporation tax on the profit for the period at 19% (2018: 19%)	-	-
Current tax expense	-	-
Deferred tax expense	-	-
Tax expense in income statement	-	-

(b) Factors affecting current tax for the year

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

	Period ended 31.03.2020 £000	Year ended 31.12.2018 £000
Profit before tax	8,620	4,924
Tax on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	1,638	936
<i>Effects of:</i>		
Non-deductible expenses	964	1,157
Claim of losses for group relief for nil payment	(2,602)	(2,093)
Total tax expense in the income statement	-	-

(c) Deferred tax

There are no deferred tax assets or liabilities (2018: nil).

(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.

Notes to the financial statements (continued)**7. Investments**

	2020 £000	2018 £000
Balance at beginning	151,563	151,563
Impairment	(5,075)	-
Balance at end	146,488	151,563

During the period, the Company recognised an impairment of £5,075k against its investment in Exterion Group Holdings Limited as the recoverable amount of the underlying investments were lower than their carrying values

The Company has the following investments in subsidiaries:

Subsidiary undertakings	Country of incorporation	Class of shares held	Ownership (%)	Registered address
Exterion Media Metro Services (UK) Ltd ("EMMS") *	United Kingdom	Ordinary	100%	7 th Floor, Lacon House, 84 Theobalds Road, London WC1X 8NL
Exterion Group Holdings Ltd ("EGHL")	Cayman Islands	Ordinary	100%	Campbell Corporate Services Limited, Floor 4, Willow House, Cricket Square, P.O. Box 268, Grand Cayman KY1-1104, Cayman Islands
Exterion Leasing (BDA) Ltd	Bermuda	Ordinary	100%	Cumberland House, 1 Victoria Street, 9 th Floor, Hamilton HM 12

*In liquidation

Notes to the financial statements (continued)

8. Other current receivables and prepayments

	2020 £000	2018 £000
Loans to affiliated group undertakings	235,781	235,781
Interest on loans to affiliated group undertakings	149,559	129,171
	385,340	364,952
Expected credit loss	(6,090)	(6,090)
	379,250	358,862

Loans to affiliated undertakings relate to a Eurobond loan issued in 2007 by EGHL with a principal of £215m. The loan is repayable on demand, unsecured and accrue interest at a rate of 6.75% per annum.

The balance also includes £20,781k fixed unsecured loan notes issued in settlement of the accrued interest on the Eurobond loan. The loan notes are repayable on demand, unsecured and accrue interest at a rate of 9.35% per annum.

An amount of £6,090k was recognised as expected credit loss in 2018 in accordance with IFRS 9 which was effective from 1 January 2018.

9. Cash and cash equivalents

	2020 £000	2018 £000
Cash and cash equivalents	2	-

10. Trade and other payables

	2020 £000	2018 £000
Loans from affiliated group undertakings	56,191	56,162
Interest on loans from affiliated group undertakings	25,260	18,594
Accrued expenses	1	1
	81,452	74,757

Loans from affiliated group undertakings mainly includes loan payable of £27.1m (2018: £27.1m) with Exterion Media Holdings Limited, loan payable of £23.4m (2018: £23.4m) with GOML, loan payable of £2.6m (2018: £2.6m) with EMMS, loan payable of £1.2m (2018: £1.1m) with Exterion Holdings (BVI) Ltd. and loan payable of £1.9m (2018: £1.9m) with Doubleplay II Limited. All amounts are repayable on demand and interest bearing at rate of 9.35% per annum.

Notes to the financial statements (continued)

11. Share capital

	2020	2018
	No. of shares	No. of shares
Authorised, issued and fully paid ordinary shares at £0.001 per share (2018: £0.001 per share)	<u>52,803</u>	<u>52,803</u>

	2020	2018
Authorised, issued and fully paid ordinary shares at £0.001 per share (2018: £0.001 per share)	<u>53</u>	<u>53</u>

12. Immediate parent and Ultimate controlling party

The Company was a subsidiary undertaking of Exterior Media Holdings Limited, a company registered in United Kingdom.

In the opinion of the Directors, the Company's ultimate parent company is Global Media & Entertainment Limited, a company incorporated in Great Britain and registered in England and Wales.

In the opinion of the Directors, the Company's ultimate controlling company is Global Radio Group Limited, a company incorporated Jersey.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Media & Entertainment Limited.

The consolidated financial statements of the group are available to the public and may be obtained from 30 Leicester Square, London, WC2H 7LA.