

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
VOLANT MEDIA UK LTD**

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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DIRECTOR: A A Alabdulkarim

SECRETARY: A A Alabdulkarim

REGISTERED OFFICE: C/o Fletcher Day
16 - 18 Monument Street
London
EC3R 8AJ

REGISTERED NUMBER: 09918100 (England and Wales)

AUDITORS: Haines Watts, Statutory Auditor
Chartered Accountants
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The director presents his strategic report for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year continued to be that of television programming and broadcasting activities. Our objective is to continue to be the most trusted and popular source of news and factual content aimed at audiences around the world not serviced by mainstream media.

BUSINESS REVIEW

We are pleased with the quality of the television programming that we have broadcast during the year and with the profile that we have achieved with our target audience. Our business continues to be present across all major content platforms ensuring that our content is as accessible on social media, mobile media and non-linear media as it is on television. Our flagship channel continues to be the most watched Persian news channel and enjoys the highest level of audience engagement on social media compared to its competitors. We are also pleased with the investments we have made in launching a second Farsi news channel together with expanding our international news gathering facilities to complement our London studios. This has enabled the Company to increase its programming output and develop a multi-newsroom workflow enhancing audience engagement.

Sales were at £1,695K (2020: £833K) comprising of advertising and other media services. The Company continues to grow and invest for the future in both infrastructure and our people. Tangible fixed assets increased by £7,039K, most of which is attributable to investment in news gathering facilities and new broadcasting equipment that will see improved quality and efficiency for the next few years. Our staff costs increased by £2,659K during the year, reflecting investment in our existing staff and recruitment of new talent.

The COVID-19 pandemic has not had a significant impact on the Company's operations.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the Company is any interruption to our 24/7 broadcasting service resulting in our news channels being off-air across any of our platforms. We continue to make significant investment in our business continuity plan ensuring we have robust systems and processes in place to minimize the impact of any potential disaster, including malicious cyber-attacks.

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

ENVIRONMENTAL POLICIES

The Company recognises its corporate responsibility to carry out its operations whilst minimising the impact on the environment, the natural resources we consume and the communities in which we operate. The Director is committed to ensuring that we meet or exceed minimum environmental standards, support Sustainable Employment and work collaboratively with the communities in which we operate.

HUMAN RESOURCES AND EMPLOYMENT POLICY

The Company recognises that our positive reputation is earned through our employees and we are committed to ensuring fair and equal treatment for all. We are committed to creating benefits that are considered positively, in the wider employment marketplace.

DIVERSITY

We are confident with the application and effectiveness of our Equal Opportunities Policy and we work tirelessly in the continued promotion of this policy across the workforce.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

GDPR

Policies and notices have been drawn up and legally approved ensuring that Volant Media UK Limited was fully compliant.

ON BEHALF OF THE BOARD:

A A Alabdulkarim - Director

26 September 2022

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2021**

The director presents his report with the financial statements of the Company for the year ended 31 December 2021.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

DIRECTOR

A A Alabdulkarim held office during the whole of the period from 1 January 2021 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Haines Watts, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A A Alabdulkarim - Director

26 September 2022

Opinion

We have audited the financial statements of Volant Media UK Ltd (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for a period of at least 12 months from the date of approval of the financial statements.

The immediate parent company and other financiers have provided a guarantee to fund the business for the foreseeable future. The immediate parent company and financiers have sufficient means to provide the required funding and therefore the director is of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

Other matters

The financial statements of the company for the year-ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion of those statements on 8 November 2021

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is 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 director determines 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 director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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:

We obtained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates. We determined that the following laws and regulations were most significant: FRS102 - the Financial Reporting Standard applicable in the UK & The Republic of Ireland, the Companies Act 2006 and relevant tax compliance regulations in the UK.

We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where management considered there was susceptibility to fraud. Audit procedures performed by the audit team included:

- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries, with a focus on entries made with unusual accounting combinations;
- Confirming with management whether they have knowledge of any actual, suspected or illegal fraud;
- Evaluating whether there was evidence of bias by management that represents a risk of material misstatement due to fraud.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VOLANT MEDIA UK LTD

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 a Report of the Auditors 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.

Ben Loveday FCCA (Senior Statutory Auditor)
for and on behalf of Haines Watts, Statutory Auditor
Chartered Accountants
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

27 September 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £'000	2020 £'000
TURNOVER		1,695	833
Cost of sales		<u>49,342</u>	<u>43,361</u>
GROSS LOSS		(47,647)	(42,528)
Administrative expenses		<u>12,639</u>	<u>10,192</u>
OPERATING LOSS	4	(60,286)	(52,720)
Interest payable and similar expenses	5	<u>4,002</u>	<u>3,638</u>
LOSS BEFORE TAXATION		(64,288)	(56,358)
Tax on loss	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(64,288)	(56,358)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(64,288)</u>	<u>(56,358)</u>

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2021

	Notes	£'000	2021 £'000	£'000	2020 £'000
FIXED ASSETS					
Intangible assets	7		129		10
Tangible assets	8		<u>9,189</u>		<u>2,150</u>
			9,318		2,160
CURRENT ASSETS					
Debtors	9	12,273		18,306	
Cash at bank		<u>3,573</u>		<u>4,222</u>	
		15,846		22,528	
CREDITORS					
Amounts falling due within one year	10	<u>205,181</u>		<u>144,698</u>	
NET CURRENT LIABILITIES			(189,335)		(122,170)
TOTAL ASSETS LESS CURRENT LIABILITIES			(180,017)		(120,010)
CREDITORS					
Amounts falling due after more than one year	11		(44,017)		(40,015)
PROVISIONS FOR LIABILITIES	13		(279)		-
NET LIABILITIES			(224,313)		(160,025)
CAPITAL AND RESERVES					
Called up share capital	14		50		50
Capital contribution reserve			22,395		22,395
Retained earnings			<u>(246,758)</u>		<u>(182,470)</u>
SHAREHOLDERS' FUNDS			(224,313)		(160,025)

The financial statements were approved and authorised for issue by the director and authorised for issue on 26 September 2022 and were signed by:

A A Alabdulkarim - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £'000	Retained earnings £'000	Capital contribution reserve £'000	Total equity £'000
Balance at 1 January 2020	50	(126,112)	22,395	(103,667)
Changes in equity				
Total comprehensive income	-	(56,358)	-	(56,358)
Balance at 31 December 2020	<u>50</u>	<u>(182,470)</u>	<u>22,395</u>	<u>(160,025)</u>
Changes in equity				
Total comprehensive income	-	(64,288)	-	(64,288)
Balance at 31 December 2021	<u>50</u>	<u>(246,758)</u>	<u>22,395</u>	<u>(224,313)</u>

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
		£'000	£'000
Cash flows from operating activities	Notes		
Cash generated from operations	1	<u>(53,724)</u>	<u>(58,524)</u>
Net cash from operating activities		<u>(53,724)</u>	<u>(58,524)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(157)	(3)
Purchase of tangible fixed assets		<u>(8,362)</u>	<u>(974)</u>
Net cash from investing activities		<u>(8,519)</u>	<u>(977)</u>
Cash flows from financing activities			
Increase in loans in year		<u>61,596</u>	<u>54,050</u>
Net cash from financing activities		<u>61,596</u>	<u>54,050</u>
Decrease in cash and cash equivalents		<u>(647)</u>	<u>(5,451)</u>
Cash and cash equivalents at beginning of year	2	<u>4,222</u>	<u>9,675</u>
Cash and cash equivalents at end of year	2	<u><u>3,573</u></u>	<u><u>4,222</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**
1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £'000	2020 £'000
Loss before taxation	(64,288)	(56,358)
Depreciation charges	1,361	907
Movement in provisions	279	(250)
Finance costs	4,002	3,638
	<u>(58,646)</u>	<u>(52,063)</u>
Decrease/(increase) in trade and other debtors	6,032	(11,292)
(Decrease)/increase in trade and other creditors	<u>(1,110)</u>	<u>4,831</u>
Cash generated from operations	<u>(53,724)</u>	<u>(58,524)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31/12/21 £'000	1/1/21 £'000
Cash and cash equivalents	<u>3,573</u>	<u>4,222</u>

Year ended 31 December 2020

	31/12/20 £'000	1/1/20 £'000
Cash and cash equivalents	<u>4,222</u>	<u>9,675</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £'000	Cash flow £'000	At 31/12/21 £'000
Net cash			
Cash at bank	<u>4,222</u>	<u>(649)</u>	<u>3,573</u>
	<u>4,222</u>	<u>(649)</u>	<u>3,573</u>
Total	<u>4,222</u>	<u>(649)</u>	<u>3,573</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

Volant Media UK Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for a period of at least 12 months from the date of approval of the financial statements.

The immediate parent company and other financiers have provided a guarantee to fund the business for the foreseeable future. The immediate parent company and financiers have sufficient means to provide the required funding and therefore the director is of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- the costs incurred and the costs to complete the contract can be measured reliably.

Intangible assets

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is charged so as to allocate the costs of assets less their residual value over their estimated useful lives, using the straight-line method.

Computer software - 3 years straight line

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 8 years straight line
Plant and machinery	- 5 years straight line
Office equipment	- 5 years straight line
Computer equipment	- 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors and loans

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Foreign currencies

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021
2. ACCOUNTING POLICIES - continued
Operating leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£'000	£'000
Wages and salaries	14,642	12,405
Social security costs	1,753	1,427
Other pension costs	595	499
	<u>16,990</u>	<u>14,331</u>

The average number of employees during the year was as follows:

	2021	2020
Directors	1	1
Editorial	129	119
Operations	89	80
Admin	17	13
	<u>236</u>	<u>213</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021
3. EMPLOYEES AND DIRECTORS - continued

	2021	2020
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2021	2020
	£'000	£'000
Other operating leases	1,302	1,266
Depreciation - owned assets	1,323	901
Computer software amortisation	38	5
Auditors' remuneration	20	17
Foreign exchange differences	(109)	<u>35</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£'000	£'000
Group interest payable	<u>4,002</u>	<u>3,638</u>

6. TAXATION
Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

The company has significant tax losses available to carry forward against future taxable profits. No provision has been made for a potential deferred tax asset as the timing of the utilisation of these losses is uncertain.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

7. INTANGIBLE FIXED ASSETS

	Computer software £'000
COST	
At 1 January 2021	1,401
Additions	157
At 31 December 2021	<u>1,558</u>
AMORTISATION	
At 1 January 2021	1,391
Amortisation for year	38
At 31 December 2021	<u>1,429</u>
NET BOOK VALUE	
At 31 December 2021	<u>129</u>
At 31 December 2020	<u>10</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £'000	Plant and machinery £'000	Office equipment £'000	Computer equipment £'000	Totals £'000
COST					
At 1 January 2021	4,821	5,780	47	1,961	12,609
Additions	503	6,164	19	1,676	8,362
At 31 December 2021	<u>5,324</u>	<u>11,944</u>	<u>66</u>	<u>3,637</u>	<u>20,971</u>
DEPRECIATION					
At 1 January 2021	4,690	4,123	24	1,622	10,459
Charge for year	56	908	10	349	1,323
At 31 December 2021	<u>4,746</u>	<u>5,031</u>	<u>34</u>	<u>1,971</u>	<u>11,782</u>
NET BOOK VALUE					
At 31 December 2021	<u>578</u>	<u>6,913</u>	<u>32</u>	<u>1,666</u>	<u>9,189</u>
At 31 December 2020	<u>131</u>	<u>1,657</u>	<u>23</u>	<u>339</u>	<u>2,150</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade debtors	2,500	833
Other debtors	8,806	16,518
Prepayments and accrued income	967	955
	<u>12,273</u>	<u>18,306</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Trade creditors	3,788	5,677
Amounts owed to group undertakings	198,841	137,246
Social security and other taxes	268	192
Accruals and deferred income	2,284	1,583
	<u>205,181</u>	<u>144,698</u>

HSBC UK Bank Plc hold a fixed and floating charge debenture over all assets of the company, dated 21 January 2020.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£'000	£'000
Amounts owed to group undertakings	<u>44,017</u>	<u>40,015</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£'000	£'000
Within one year	1,368	1,318
Between one and five years	5,473	659
In more than five years	648	-
	<u>7,489</u>	<u>1,977</u>

13. PROVISIONS FOR LIABILITIES

	2021	2020
	£'000	£'000
Other provisions	<u>279</u>	<u>-</u>

Other provisions are in respect of the potential dilapidations provisions arising in respect of the company's operating leased premises.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£'000	£'000
50,000	Ordinary	£1	<u>50</u>	<u>50</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

15. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption from disclosing related party transactions with other wholly owned group entities.

During the course of the year, the Company acquired plant and machinery of £8,244,608 (2020: £Nil) and services amounting to £3,537,398 (2020: £Nil) from a related party. Included in other debtors is an advance to same business of £5,611,145 (2020: £8,867,632). The entities are related via common control by the same director.

16. ULTIMATE CONTROLLING PARTY

The company's immediate parent company is Info-cast Cayman Limited. There is no ultimate controlling party.

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