

This is Global Limited

**Annual Report and Financial Statements
Year ended 31 March 2016**

Company number 06251684

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This is Global Limited

Contents

	Page
Directors and Advisers	1
Group Strategic Report	2
Directors' Report	5
Statement of Directors' Responsibilities	7
Independent Auditor's Report to the Members of This Is Global Limited	8
Group Income Statement	9
Group Statement of Comprehensive Income	10
Group Statement of Financial Position	11
Group Statement of Changes in Equity	12
Group Statement of Cash Flows	13
Notes to the Group Financial Statements	14
Company Balance Sheet	44
Company Statement of Changes in Equity	45
Notes to the Company Financial Statements	48

This is Global Limited

Directors and Advisers

Directors

Lord Allen of Kensington CBE (Chairman)
A D Tabor
S G Miron
R F J Park
M Gordon
W Harding
I L Hanson
D D Singer

Company secretary

J Beak

Registered office

30 Leicester Square
London
WC2H 7LA

Company number

06251684

Auditor

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

This is Global Limited

Group Strategic Report

The directors present their strategic report for This is Global Limited and its subsidiaries (the "Group") for the year ended 31 March 2016

Principal activity

The Group's principal activity during the year was the operation of commercial radio stations in the United Kingdom

Business review

This business review gives greater emphasis to those matters which are significant to This is Global Limited (the "Company") and its subsidiary undertakings when viewed as a whole

The year ended 31 March 2016 was the seventh consecutive year of growth in profitability for the Group with adjusted EBITDA of £74.5m (as defined in note 2 below), showing growth of over 2.9% on the prior year's figure of £72.4m. Operating margin fell from 27.3% to 27.0%.

The main reason for the increase in profitability was the 4.6% growth in our commercial revenues in the year, which includes six months' revenues from the acquisition of Juice FM in Liverpool. Our commercial revenues also continued to outperform the wider market. For the period from 1 April 2015 to 31 March 2016 our commercial revenues increased by 3.9% on a like for like basis, whereas the market increased by 3.1% in that same period (source: Radiocentre website).

During the year, Global's radio stations achieved an average weekly audience of 23.8 million listeners (source: RAJAR Q2 2015 – Q1 2016 average). This compares to last year's audience of 23.1 million listeners and reflects the continuing quality and popularity of our stations. Our stations reached 45% of the UK population on a weekly basis.

Global's Make Some Noise charity continued to raise money for disadvantaged children and young people and to give a voice to smaller charities that find it hard to get heard. Make Some Noise raised over £2.6m (2015: £2.3m) in the year, and awarded grants to more than 40 charities and projects across the UK.

In September 2015 we launched a brand new national channel, Radio X. Featuring Chris Moyles, Johnny Vaughan and Ricky Wilson, Radio X aims to bring listeners the best fresh rock and guitar-based music across the UK.

In October 2015, we started construction of the new Global Academy, a university technical college to provide academic and vocational training for students who want to work in the broadcast and digital media industries. The Global Academy will open for the start of the next academic year, in September 2016.

In January 2016, we brought the UK's number 1 hit music station to Liverpool, with the launch of 107.6 Capital FM Liverpool. Capital Liverpool will play the biggest hits from the hottest hit music artists of the moment. The launch of Capital Liverpool followed our purchase of Juice FM from UTV.

We continued to expand our Digital Audio Exchange ("DAX") following the success of its launch last year. DAX gives advertisers a single buying point to access the digital audio market. We have now expanded the service across 18 European countries and more than 150 audio platforms are offering their advertising via DAX.

The directors noted that the strong financial performance, combined with the continued high quality programming output of our stations and significant progress on a number of strategic objectives, represented another extremely successful year for the Group.

During the year £49,166,980 of loans were converted to 49,166,980 ordinary £1 shares which were issued, called up and fully paid.

Financial performance

The consolidated income statement is set out on page 9 and shows revenue for the year ended 31 March 2016 of £276.2m, an increase of 4.1% on last year's figure of £265.2m. Operating profit of £60.1m rose by £3.6m compared to last year's figure of £56.5m. Operating profit is stated after charging depreciation of £4.1m (2015: £3.9m) and amortisation of £5.4m (2015: £2.7m). The loss before taxation of £9.9m (2015: £35.8m) has decreased mainly due to movements in the fair value of the loans and interest on shareholder and other loans.

The directors consider that adjusted EBITDA (as defined in note 2 below) represents a key measure of the business performance as it demonstrates the underlying trading performance. The results for the year set out below show growth of £2.1m (3.0%) in adjusted EBITDA from £72.4m in 2015 to £74.5m for the year ended 31 March 2016.

This is Global Limited

Group Strategic Report (continued)

Financial performance (continued)

	Year ended 31 March 2016 £m	Year ended 31 March 2015 £m
Commercial revenue	254.7	243.6
Other revenue	21.5	21.6
Total revenue	276.2	265.2
Direct costs	49.7	50.5
Gross profit	226.5	214.7
Other operating costs (note 1)	152.0	142.3
Adjusted EBITDA (note 2)	74.5	72.4
Operating margin	27.0%	27.3%

Note 1 Direct costs exclude depreciation, amortisation and charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs and vacant property provisions

Note 2 Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortisation and is stated before any charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs and vacant property provisions

Going concern

The directors confirm that, after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements. Further information around the assessment of going concern can be found on note 1 of the financial statements.

Future developments

The directors believe that the current level of activity will continue for the foreseeable future and they look forward to a return to stable growth in the UK market. The directors continue to explore a number of opportunities to grow and expand the existing business.

Principal risks and uncertainties

The principal risks faced by the business can be divided into operational, commercial, financial and credit risks. The risks are monitored and managed at a Group level and by local management teams.

Operational risk

Audience levels at the Group's stations could erode the Group's position, both in local markets and in the national marketplace if they were to decline. To address this, the Group markets its radio brands regularly and continually strives to improve programming standards to increase audiences. The Group carries out research on its listeners, building profiles of their likes and dislikes, and uses this to develop both the sound of the stations, and the music they play.

Commercial risk

There is a risk that weakness in the advertising market could put pressure on traditional revenue streams. To address this, the Group has been developing its relationship with advertisers and agencies to ensure that the value of its brands is fully realised. This includes offering tailored solutions to advertisers and highlighting the breadth of our products. The development of new media opportunities is at the heart of the Group's strategy, which over time will reduce the pressure on our traditional revenue generators.

Whilst the impact of the United Kingdom leaving the European Union is uncertain and hard to assess, based on current UK growth forecasts there is a risk that our revenues will be lower than forecast. In addition, there are other related factors which affect the Group, for example, the impact of a tougher UK business environment on interest rates and therefore long-term bond yields and the group pension liabilities.

Financial risk

The Group is primarily funded by both related party and bank debt. Bank debt has been reduced in the year. The Group's operations are cash-generative, and general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis.

This is Global Limited

Group Strategic Report (continued)

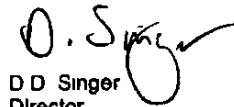
Credit risk

The Group actively mitigates the risk of payment default by its customers by the use of trade credit insurance and by reviewing outstanding payments and provisions for payment default regularly

Key performance indicators

The business uses key performance indicators which are monitored on a regular basis and include audience trends such as weekly reach, listening hours, share of the market and demographic mix, as well as financial indicators such as revenue, adjusted EBITDA and operating margins. Variance analysis is performed monthly and variances are monitored and discussed within a formal meeting structure

This report was approved by the board and signed on its behalf by



D D Singer
Director
29 July 2016

This is Global Limited

Directors' Report

The directors present the directors' report and the financial statements of the Group and the Company for the year ended 31 March 2016

Results and dividends

The loss for the year, after taxation and non-controlling interests, amounted to £7.9m (2015: loss of £32.5m). The directors do not recommend the payment of a dividend (2015: £nil).

Directors

The directors who served during the year and to the date of this report were

Lord Allen of Kensington CBE (Chairman)

A D Tabor

S G Miron

R F J Park

M D Connoley (resigned 14 August 2015)

M Gordon

W Harding

I L Hanson

D D Singer (appointed 9 November 2015)

Political and charitable contributions

The Group is involved with a number of charities that are linked to its radio operations and during the course of the financial year, the Group's charities were involved in fundraising activities which generated £3.2m (2015: £3.9m) for its own and many other third-party causes.

As well as providing significant radio airtime to promote the activities and events of its charities, the Group provides a number of services to these charities, including the use of offices and administration services, free of charge.

The Group's donations to external charities amounted to £50,124 (2015: £127,697). No contributions were made to political organisations. The charitable and political donations of the Company amounted to £nil (2015: £nil).

Future developments

The directors believe that the current level of activity will continue for the foreseeable future and they look forward to a return to stable growth in the UK advertising market, notwithstanding the uncertain impact of the UK exiting the European Union. The directors continue to explore a number of opportunities to grow and expand the existing business.

Financial Instruments

The Group's risk management process and the policies for mitigating certain type of risks are set out in note 20. Details of the financial instruments used for these purposes are in note 16 to the consolidated financial statements.

Employee involvement

The Group places considerable value on the involvement of its people and has continued to keep them informed on matters affecting their employment and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Disabled employees

Applications for employment from disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. As a people focused business we make sure that we recruit the right person for the job every time, whatever their background.

In the event of a member of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate adjustments are made. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

This is Global Limited

Directors' Report (continued)

Qualifying third party indemnity provisions

The directors benefit from qualifying third party indemnity provisions in place. The Group also provided qualifying third party indemnity provisions to certain directors of associated companies during the financial year.

Matters covered in the strategic report

Details of the principal risks faced by the Group, including operational risk, credit risk and liquidity risk are discussed in the Group Strategic Report.

Provision of information to the auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that each director is aware, there is no relevant audit information of which the Group and the Company's auditor is unaware, and
- that each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Group and the Company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by



D.D. Singer
Director
29 July 2016

This is Global Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether the group financial statements have been prepared in accordance with IFRS and the Company financial statements have been prepared in accordance with UK GAAP, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Directors' statement as to the disclosure of information to auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

This is Global Limited

Independent Auditor's Report to the Members of This is Global Limited

We have audited the financial statements of This is Global Limited for the year ended 31 March 2016 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Group Statement of Changes in Equity, the Group Statement of Cash Flows, the Parent Company Balance Sheet and the Parent Company Statement of Changes in Equity and the related notes 1 to 39. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2016 and of the Group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union,
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 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.

M. C. Lee-Amies

Mark Lee-Amies FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK
29 July 2016

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Group Income Statement For the year ended 31 March 2016

	<i>Note</i>	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Revenue	2	276,247	265,195
Direct costs		(49,714)	(50,513)
Gross profit		226,533	214,682
Administrative expenses		(166,410)	(158,167)
Operating profit	4	60,123	56,515
Finance income	7	1,837	2,037
Finance expense	8	(72,301)	(94,978)
Net finance costs		(70,864)	(92,941)
Share of profit of equity-accounted investees, net of tax		672	583
Loss before taxation		(9,869)	(35,843)
Income tax credit	9	1,943	3,331
Loss for the year		(7,926)	(32,512)
Attributable to:			
Owners of the Company		(9,103)	(33,819)
Non-controlling interests		1,177	1,107
		(7,926)	(32,512)

The notes on pages 14 to 43 form part of these financial statements

This is Global Limited

Group Statement of Comprehensive Income For the year ended 31 March 2016

	<i>Note</i>	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Loss for the year		(7,928)	(32,512)
<i>Items that will not be reclassified to profit or loss:</i>			
Actuarial loss related to the pension scheme	26	(1,135)	(2,629)
Deferred tax on actuarial loss	18	204	525
Other comprehensive loss for the year, net of tax		(8,857)	(34,616)
Total comprehensive loss for the year		(8,857)	(34,616)
Attributable to			
Owners of the Company		(10,034)	(35,723)
Non-controlling interests		1,177	1,107
		(8,857)	(34,616)

The notes on pages 14 to 43 form part of these financial statements

This is Global Limited

Group Statement of Financial Position

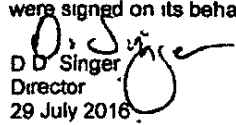
At 31 March 2016

Registered number 06251684

	Note	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
ASSETS				
Non-current assets				
Intangible assets	10	337,953	325,168	321,616
Property, plant and equipment	11	24,107	19,217	18,050
Equity accounted investments	12	756	842	880
Investments	13	5,780	180	180
Surplus on defined benefit pension scheme	26	3,524	4,432	6,570
Deferred tax asset	18	5,285	5,116	1,170
		377,405	354,955	348,466
Current assets				
Current tax assets		379	121	1,997
Trade and other receivables	14	46,147	42,083	49,347
Cash and cash equivalents		35,722	43,097	73,144
		82,248	85,301	124,488
Total assets		459,653	440,256	472,954
LIABILITIES				
Current liabilities				
Trade and other payables	15	49,548	47,233	51,014
Borrowings	16	42,297	40,462	29,169
Provisions	17	1,221	1,011	1,124
		93,066	88,706	81,307
Non-current liabilities				
Borrowings	16	820,872	843,614	847,472
Provisions	17	1,336	2,723	3,529
		822,208	846,337	851,001
Total liabilities		915,274	935,043	932,308
Net liabilities		(455,621)	(494,787)	(459,354)
EQUITY				
Share capital	19	49,167	-	-
Retained deficit		(504,788)	(494,787)	(459,354)
		(455,621)	(494,787)	(459,354)
Attributable to:				
Shareholders funds		(455,835)	(495,967)	(460,314)
Non-controlling interests		1,214	1,180	960
Total equity		(455,621)	(494,787)	(459,354)

The notes on pages 14 to 43 form part of these financial statements

The financial statements were approved and authorised for issue by the board of directors on 29 July 2016 and were signed on its behalf by.


D. D. Singer
Director
29 July 2016

This is Global Limited

Group Statement of Changes in Equity For the year ended 31 March 2016

		Share capital	Retained deficit	Total	Non-controlling interests	Total equity
	Note	£'000	£'000	£'000	£'000	£'000
At 1 April 2014		-	(480,314)	(480,314)	980	(459,354)
Loss for the year		-	(33,819)	(33,819)	-	(33,819)
Non-controlling interest share of profit		-	-	-	1,107	1,107
Dividends paid to non-controlling interests		-	-	-	(1,194)	(1,194)
Purchase of non-controlling interests		-	-	-	(69)	(69)
Increase in non-controlling interests		-	-	-	376	376
Actuarial loss related to the pension scheme	26	-	(2,629)	(2,629)	-	(2,629)
Deferred tax on actuarial loss	18	-	525	525	-	525
Non-controlling interests acquired in the year		-	70	70	-	70
At 31 March 2015		-	(495,967)	(495,967)	1,180	(494,787)
At 1 April 2015		-	(495,967)	(495,967)	1,180	(494,787)
Loss for the year		-	(9,103)	(9,103)	-	(9,103)
Non-controlling interest share of profit		-	-	-	1,177	1,177
Shares issued in the year	19	49,167	-	49,167	-	49,167
Actuarial loss related to the pension scheme	26	-	(1,136)	(1,136)	-	(1,136)
Deferred tax on actuarial loss	18	-	204	204	-	204
Dividends paid to non-controlling interests		-	-	-	(1,143)	(1,143)
At 31 March 2016		49,167	(506,002)	(456,835)	1,214	(455,621)

The notes on pages 14 to 43 form part of these financial statements

This is Global Limited

Group Statement of Cash Flows For the year ended 31 March 2016

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Cash flows from operating activities		
Loss for the year	(7,926)	(32,512)
Adjustments for:		
Depreciation	4,141	3,925
Amortisation	5,365	2,708
Loss on disposal of property, plant and equipment and intangible assets	-	7
Net finance costs	70,864	92,941
Share of results of associates and joint ventures	(872)	(583)
Movement in retirement benefit obligations	(74)	(183)
Movement in non-controlling interests on acquisition	-	70
Increase in non-controlling interests	-	376
Fair value adjustments on prior year acquisitions	-	16
Income tax credit	(1,943)	(3,331)
	69,555	63,434
Changes in:		
Trade and other receivables	(3,729)	7,262
Trade and other payables	(2,755)	(4,643)
Provisions	(1,203)	(919)
Cash generated from operating activities	61,868	65,134
Interest paid	(5,655)	(2,581)
Income taxes (paid)/ recovered	(375)	1,787
Net cash from operating activities	55,838	64,340
Cash flows from investing activities		
Interest received	80	179
Dividends received from associates	757	929
Proceeds from sale of property, plant and equipment	-	116
Acquisition of subsidiary, net of cash acquired	(4,825)	-
Acquisition of investments	(5,600)	(307)
Acquisition of property, plant and equipment	(9,031)	(5,200)
Acquisition of intangible assets	(6,223)	(6,291)
Acquisition of non-controlling interests	-	(69)
	(24,842)	(10,643)
Cash flows from financing activities		
Proceeds from borrowings	-	200,000
Repayments of loans and borrowings	(37,228)	(281,250)
Payment of debt issue costs	-	(1,300)
Dividends paid to non-controlling interests	(1,143)	(1,194)
	(38,371)	(83,744)
Decrease in cash and cash equivalents	(7,375)	(30,047)
Cash and cash equivalents at the start of the year	43,097	73,144
Cash and cash equivalents at the end of the year	35,722	43,097

The notes on pages 14 to 43 form part of these financial statements.

This Is Global Limited

Notes to the Group Financial Statements

1. Accounting policies

a) Reporting entity

This is Global Limited (the "Company") is incorporated and domiciled in the United Kingdom

These consolidated financial statements are for the This is Global Limited group (the "Group") and they comprise the Company and its subsidiaries which are listed in full in note 34 of the Company financial statements

The Group's principal activity during the year was the operation of commercial radio stations in the United Kingdom

The Group financial statements were approved by the board of directors on 29 July 2018

b) Statement of compliance

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and the Companies Act 2006

c) Functional and presentational currency

These financial statements are presented in pounds Sterling (£), which is the Group and the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated

d) Basis of preparation

The financial statements have been prepared on a historical cost basis. The accounting policies set out below have been applied consistently to the Group to all periods presented in these financial statements

For all periods up to and including the year ended 31 March 2015, the Group prepared financial statements in accordance with United Kingdom Generally Accepted Accounting Principles ("UK GAAP"). These financial statements for the year ended 31 March 2016 (the "reporting date") are the first the Group has prepared in accordance with IFRS

The Group's deemed transition date to IFRS is 1 April 2014, details of how the transition from UK GAAP to IFRS has affected the Group's reported position and performance are given in note 31 to the Group financial statements. The principles and requirements for first time adoption of IFRS are set out in IFRS 1 *First-time adoption of International Financial Reporting Standards* ("IFRS 1"). IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with the transition process

e) Basis of consolidation

The Group financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies

A subsidiary is an entity controlled, either directly or indirectly, by the Company. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee

The results of a subsidiary acquired during the period are included in the Group's results from the effective date on which control is transferred to the Group. All intercompany balances and transactions, including unrealised profits arising from intra-Group transactions, have been eliminated in full

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of transition

f) Interests in equity-accounted investments

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement rather than rights to its assets and obligations for its liabilities

Interests in associates and the joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases

This is Global Limited

Notes to the Group Financial Statements (continued)

1. Accounting policies (continued)

g) New accounting standards and interpretations not yet effective

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the year ended 31 March 2016. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations as of 1 April 2015. These have not has any material impact on the financial statements

- Amendments to IAS 27 *Equity method in separate financial statements* (effective 1 January 2016)
- Amendments to IAS 16 and IAS 38 *Classification of acceptable methods of depreciation and amortisation* (effective 1 January 2016)
- Annual improvements to IFRSs 2010 – 2014 Cycle (effective 1 January 2016)
- Amendments to IAS 1 *Disclosure initiatives* (effective 1 January 2016)

Standards effective in future periods

Certain new standards, amendments and interpretations to existing standards have been published that are relevant to the Group's activities and are mandatory for the Group's accounting periods beginning after 31 January 2016 or later and which the Group has decided not to adopt early

- IFRS 15 *Revenue from contracts with customers* (will become effective for accounting periods starting on or after 1 January 2017)¹
- IFRS 9 *Financial Instruments* (will become effective for accounting periods starting on or after 1 January 2018)¹

The impact of these standards is currently being assessed

¹ – The mandatory adoption under EU adopting regulations has not yet been confirmed

h) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amount of assets, liabilities, income, expenses and other disclosures. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis

Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or further information. Such changes are recognised in the period in which the estimate is revised

Key assumptions about the future and key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying value of assets and liabilities over the next year are set out below

Impairment of goodwill, intangible assets and property, plant and equipment

These assets are reviewed annually for impairment or more frequently if there is an indication of impairment to ensure that they are not carried above their estimated recoverable amounts. To assess if any impairment exists, estimates are made of the future cash flows expected to result from the use of the asset and its eventual disposal. Actual outcomes could vary from such estimates of discounted future cash flows

Onerous lease provision

Where a leased property is no longer expected to be fully occupied or where the costs exceed the future expected benefits, an onerous lease provision will be recognised for that portion of the lease that is in excess to the Group's requirements and not fully recovered through sub-leasing, or through value in use. The actual future expected costs could vary from the estimated provision

Income taxes

Estimates may be required in determining the level of current and deferred income tax assets and liabilities, which the directors believe are reasonable and adequately recognise any income tax related uncertainties. Various factors may have favourable or adverse effects on the income tax assets or liabilities. These include changes in tax legislation, tax rates and allowances, future levels of spending, the Group's level of future earnings and estimated future taxable profits

Impairment of trade receivables

The Group is required to make an estimate of the recoverable value of trade receivables. When assessing impairment of trade receivables, management considers the age profile of receivables as well as any specific known problems or risks.

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Notes to the Group Financial Statements (continued)

1 Accounting policies (continued)

h) Critical accounting estimates and judgements (continued)

Useful economic life of assets

The Group's policy for applying useful economic lives and residual values of assets has been determined through applying historical experience and taking into consideration the nature of assets and their intended use.

Control over the Group's subsidiaries

The Group must assess whether it controls its subsidiaries when determining whether to consolidate the subsidiaries

The Group's influence over associates

The Group must assess whether it has significant influence over its associates when determining whether it should equity account for the associates

i) Going concern

At 31 March 2016 the Group had net liabilities of £455.6m (2015: £494.8m)

The Group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2019 ("the forecasts"). The Board considers the forecasts have been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the Group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Group can continue to trade for the foreseeable future and operate within its facility and the associated financial covenants.

The directors consider it appropriate to prepare the financial statements on a going concern basis. The directors' forecasts show sufficient cash will be generated from the Group's operations to be able to repay the bank loan and other obligations as they fall due.

j) Segment reporting

A segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's board of directors to make decisions about resources to be allocated to a segment and assess its performance, and for which discrete financial information is available (see note 2).

k) Foreign currency translation

Foreign currency transactions are translated into pound Sterling, the Group's functional currency, using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign currency translation gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within finance income or finance expense. All other foreign currency translation gains and losses are presented in the Income Statement within direct costs and administrative expenses.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's functional currency, Sterling, at foreign currency exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated at an average rate for the period, which approximates the foreign currency exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations are reported in other comprehensive income.

l) Investments

Investments are included in the Statement of Financial Position (or Balance Sheet) at cost less amounts written-off, representing impairment in value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

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Notes to the Group Financial Statements (continued)

1 Accounting policies (continued)

m) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment losses. Cost includes the original purchase price of the assets and costs attributable to bringing the asset to its working condition for its intended use.

Property, plant and equipment is depreciated at rates calculated to write off the cost less residual value of each asset over its useful economic life on a straight line basis over the following periods:

Freehold property	25 to 50 years
Capitalised leasehold costs	Over the term of the lease
Fixtures, fittings and technical equipment	3 to 10 years
Transmitters	20 years

Gains and losses on disposals of assets are calculated as the difference between the proceeds received and the carrying value of the asset at the time of disposal and are recognised in profit or loss.

Impairment of property, plant and equipment

Impairment reviews of property, plant and equipment are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the income statement.

n) Intangible assets

Software costs

Purchased software costs are stated at cost, net of accumulated depreciation and impairment losses. Costs associated with maintaining computer software are recognised as an expense as incurred.

Software development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Software costs recognised as assets are amortised over their estimated useful lives of three years.

Radio licences

Radio licences are valued at cost less accumulated amortisation and any accumulated impairment losses. Radio licences are amortised over the period of the licence.

Impairment of intangible assets (excluding goodwill)

Impairment reviews are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an intangible asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the Income Statement.

o) Goodwill

Business combinations are accounted for using the acquisition method. The costs of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date fair value and the amount of any non-controlling interest in the acquiree. Acquisition costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. Subsequent changes to the fair value will be recognised either within the Income Statement or in other comprehensive income.

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Identifiable intangible assets, meeting either the contractual-legal or separability criterion are recognised separately from goodwill. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

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Notes to the Group Financial Statements (continued)

1) Accounting policies (continued)

o) Goodwill (continued)

Goodwill in respect of an acquired subsidiary is recognised as an intangible asset. Goodwill in respect of an acquired associate or joint venture is included within investments accounted for using the equity method.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Where the fair value of the interest acquired in an entity's assets, liabilities and contingent liabilities exceeds the consideration paid, the excess is recognised immediately as a gain in the Income Statement.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash generating unit, to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash generating unit retained.

As permitted by IFRS 1, the Group elected not to apply IFRS 3 *Business Combinations* ("IFRS 3") to business combinations that occurred before 1 April 2014. As a result, goodwill recognised as an asset under UK GAAP as at 1 April 2014 has not been revised retrospectively to identify and extract intangible assets to be recognised separate from goodwill.

p) Trade and other receivables

Trade and other receivables are recognised initially at fair value, which is deemed to be the transaction price. Subsequently, trade and other receivables are measured at amortised cost using the effective interest method, less any provision for impairment.

q) Cash

Cash and cash equivalents comprises cash balances and money market deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

r) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Share premium

The share premium account represents the amount subscribed for share capital in excess of nominal value, less any costs directly attributable to the issue of new shares.

Retained deficit

The retained deficit represents the cumulative net gains and losses recognised in the Income Statement.

Dividends

Dividends on ordinary share capital are recognised as a liability in the Group's financial statements in the period in which they are declared. In the case of interim dividends, these are considered to be declared when they are paid and in the case of final dividends these are declared when authorised by the shareholders.

s) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost. Trade payables are classified as current liabilities if payment is due within one year or less, otherwise they are presented as non-current liabilities.

t) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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Notes to the Group Financial Statements (continued)

1) Accounting policies (continued)

u) Finance income and expense

Finance income comprises interest received on cash balances

Finance expense comprises interest payable on borrowings, amortisation and write off of debt issuance costs and the unwinding of the discount on non-current provisions.

Interest is recognised in profit or loss as it accrues using the effective interest rate. Interest payable on borrowings includes a charge in respect of attributable transaction costs, which are recognised in profit or loss over the period of the borrowings on an effective interest basis.

v) Financial instruments

A financial instrument is initially recognised at fair value on the Statement of Financial Position when the entity becomes party to the contractual provisions of the instrument. A financial instrument is derecognised when the contractual rights to the cash flows expire or substantively all risks and rewards of ownership are transferred. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest method.

w) Current and deferred income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Financial Position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

x) Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 *Provisions, contingent liabilities and contingent assets* ("IAS 37") and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 1 year after the end of the reporting period are discounted to their present value.

This is Global Limited

Notes to the Group Financial Statements (continued)

1 Accounting policies (continued)

x) Employee benefits (continued)

Defined contribution pension scheme

The Group operates employee optional stakeholder retirement and death benefit schemes. Both employee and employers are required to make contributions with the employers' contributions for each employee determined by the level of contribution made by the employee and the employee's length of service within the Group or subsidiary company. The employer's contributions are charged to profit and loss in the year in which the contributions are due.

Defined benefit pension scheme

The Group operates a defined benefit pension scheme which requires contributions to be made to separately administered funds. The cost of providing benefits under the plan is determined using an independent actuarial valuation. This is based on the projected unit credit method and is recognised in accordance with the advice of a qualified actuary. Past service costs resulting from enhanced benefits are recognised on a straight-line basis over the vesting period or immediately if the benefits have vested.

Re-measurement gains and losses, and taxation thereon, are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods. Re-measurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest) and changes in the amount of any asset restrictions. Actuarial gains and losses may result from differences between the actuarial assumptions underlying the plan liabilities and actual experience during the year or changes in the assumptions used in the valuation of the plan liabilities.

The defined benefit liability or asset recognised in the Statement of Financial Position (or Balance Sheet) comprises the present value of the benefit obligation using a discount rate based on appropriate high quality corporate bonds, at the reporting date, minus any past service costs not yet recognised, minus the fair value of the plan assets, if any, at the reporting date. Where the plan is in surplus, the asset recognised is limited to the amount which the Group expects to recover by way of refunds or reduction in future contributions.

y) Share based payments

The Group has a long term incentive share scheme under which it makes equity-settled share-based payments to eligible employees. The cost of equity-settled share-based payments are measured at fair value at the date of grant and recognised as an expense over the vesting period, which ends on the date on which the employees become fully entitled to the reward.

Fair value is estimated using appropriate models for the particular awards under consideration. In valuing equity settled transactions, no account is taken of any vesting conditions, other than the performance conditions linked to the price of the shares of the Company (market conditions). Any other conditions which are required to be met in order for an employee to become fully entitled to an award are considered to be non-vesting conditions. These are also taken into account in determining the grant date fair value.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

At each reporting date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the number of the achievement or otherwise of non-market vesting conditions and of the number of equity instruments that will ultimately vest or, in the case of an instrument subject to a market condition, be treated as vesting. The movement in cumulative expense since the previous reporting date is recognised in the Income Statement, with a corresponding entry in equity.

Where the terms of an equity-settled payments award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of the modification, based on the difference between the fair value of original award and the fair value of the modified award, both as measured at the date of modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled (where non-vesting conditions within the control of either the entity or the employee are not met), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the Income Statement.

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Notes to the Group Financial Statements (continued)

1 Accounting policies (continued)

z) Provisions

Provisions for onerous leases, restructuring costs, legal claims and other future costs are recognised when

- the Group has a present legal or constructive obligation as a result of past events,
- it is probable that an outflow of resources will be required to settle the obligation, and
- the amount has been reliably estimated

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation

aa) Revenue recognition

Revenue, which is stated excluding any value added tax, agency commissions and trade discounts

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Key classes of revenue are recognised on the following basis

Radio advertising	Date of broadcast
Sponsorship	Over the term of the contract
Internet revenue	Over the term of the contract
Transmission fees	Over the term of the contract
Production of adverts	On date of release to clients
Enterprise revenue	On agreed settlement with all parties
CD revenue	On sale of CD

Revenue on barter transactions is recognised only when the goods or services being exchanged are of a similar nature

bb) Leases

The Group is both a lessor and lessee of property, plant and equipment

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease rental expenditure/income is charged to the Income Statement on a straight-line basis over the lease term

Lease incentives are recorded as a liability and then recognised over the lease term on straight-line basis in the Income Statement as a reduction of rental expense

cc) Fair value measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Set out below is an analysis of the valuation method of the Group's financial instruments

The different levels in the fair value hierarchy have been defined as follows

- Level 1 quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 inputs other than quoted prices included within level 1 that are observable, for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group has no assets or liabilities where fair values have been determined for measurement purposes

Borrowings (level 3)

Borrowings, as disclosed in note 16 and note 20, is calculated as the present value of the estimated future cash flows based on the terms and maturity the loan and using market interest rates as applicable for a similar instrument at the measurement date

dd) Financial guarantee contracts

Where the Group enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Group considers these to be insurance arrangements, and accounts for them as such. In this respect, the Group treats the guarantee contract as a contingent liability until as such time as it becomes probable that the Group will be required to make a payment under the guarantee

This is Global Limited

Notes to the Group Financial Statements (continued)

2 Operating segments

The Group's chief operating decision maker has been identified as the board of directors. The board of directors review the Group's internal reporting on a monthly basis in order to assess performance and allocate resources.

Management has determined the operating segments based on the reports used by the board. The board mainly assesses performance based on adjusted EBITDA.

The Group has one reportable segment being commercial radio broadcasting in the United Kingdom. Other operations includes events, advertising commission, television and cd sales. None of these segments met the quantitative thresholds for reportable segments in the 2015 or 2016 financial years.

The Group's operations are virtually all completed in the United Kingdom, the Group's operations outside the United Kingdom are not significant.

All transactions between segments are completed on an arms-length basis.

The Group is not reliant on any major customers and no single customer provides more than ten percent of Group revenue.

	Commercial radio broadcasting		Other operations		Total	
	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2016	Year ended 31 March 2015
	£'000	£'000	£'000	£'000	£'000	£'000
Total revenue	254,088	244,401	21,549	20,794	275,247	265,195
Less inter-segment revenue	-	-	-	-	-	-
Revenue from external customers	254,088	244,401	21,549	20,794	275,247	265,195
Direct costs					(49,714)	(50,313)
Gross profit					225,533	214,882
Operating expenses					(181,996)	(142,287)
Adjusted EBITDA					74,537	72,395
Other expenses					(14,414)	(15,680)
Operating profit					60,123	56,515
Net finance expenses					(20,884)	(22,941)
Share of profit of equity-accounted investees, net of tax					872	583
Loss before taxation					39,891	33,843

3 Adjusted EBITDA

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Operating profit	60,123	56,515
Depreciation of property, plant and equipment	4,141	3,925
Amortisation of intangibles	5,365	2,708
Other operating expenses	4,908	9,247
Adjusted EBITDA	74,537	72,395

4 Operating profit

Operating profit is stated after charging/(crediting)

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Amortisation of intangible assets	5,365	2,708
Loss on disposal of intangible assets	-	15
Depreciation of property, plant and equipment	4,141	3,925
Loss on disposal of property, plant and equipment	-	7
Operating lease rentals		
- land and buildings	5,516	5,036
- motor vehicles and other leases	1,296	973
Lease income received	(111)	(111)

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Notes to the Group Financial Statements (continued)

4 Operating profit (continued)

Auditors' remuneration for audit and non-audit services during the year was

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	89	35
Fees payable to the Group's auditor and its associates in respect of		
The auditing of financial statements of associates of the Group pursuant to legislation	96	150
Other services pursuant to legislation	17	7
Taxation compliance services	2	1
All taxation advisory services not included above	68	151
All other services	33	60

5 Employees

The average number of people employed by the Group (including directors) during the year was as follows

	Year ended 31 March 2016 Number	Year ended 31 March 2015 Number
Sales	634	615
Programming	382	373
Administration	233	222
	<u>1,249</u>	<u>1,210</u>

The aggregate remuneration costs of these employees were as follows

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Wages and salaries	62,895	62,452
Social security costs	6,708	6,805
Contributions to defined benefit pension schemes	333	438
Contributions to defined contribution pension schemes	1,462	1,243
	<u>71,398</u>	<u>70,938</u>

6. Directors

The remuneration costs of the Group's directors were

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Remuneration	10,515	5,301
Contributions to defined contribution pension schemes	88	96
	<u>10,603</u>	<u>5,397</u>
	Number	Number
Number of directors to whom retirement benefits accrue	<u>3</u>	<u>3</u>

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Notes to the Group Financial Statements (continued)

6. Directors (continued)

The remuneration of the highest paid director was

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Aggregate emoluments	<u>7,272</u>	<u>2,163</u>
	<u>7,272</u>	<u>2,163</u>

The amounts disclosed above represent the remuneration for the qualifying services of the directors of the Group

IAS 24 *Related party transactions* ("IAS 24") requires the Group to disclose all transactions and outstanding balances with the Group's key management personnel. IAS 24 defines key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The key management personnel who are responsible for planning, directing and controlling the activities of the Group are the Group's directors.

During the year a number of directors were granted loans in relation to a cash-settled share-based payment arrangement. The loans are due for repayment on the settlement of the scheme. The loan balances outstanding are

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Loans to directors in relation to cash-settled share based payment arrangement	<u>375</u>	<u>375</u>

7 Finance income

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Bank interest receivable	80	179
Interest on pension scheme assets	<u>1,557</u>	<u>1,858</u>
	<u>1,637</u>	<u>2,037</u>

8 Finance expense

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Interest payable on bank loans and overdrafts	4,973	2,745
Interest payable on other loans	63,782	70,386
Movement in fair value adjustments on borrowings	1,681	19,705
Amortisation of debt issue costs	462	592
Interest on pension scheme liabilities	<u>1,403</u>	<u>1,550</u>
	<u>72,301</u>	<u>94,978</u>

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Notes to the Group Financial Statements (continued)

9. Income tax credit

(a) Analysis of tax credit in the period

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Current tax expense		
UK corporation tax on the loss for the year	176	297
Adjustments in respect of prior years	(116)	(207)
Total current tax expense	60	90
Deferred tax credit		
Originabon and reversal of temporary differences	(2,003)	(3,421)
Adjustments in respect of prior years	-	-
Total deferred tax credit	(2,003)	(3,421)
Income tax credit	(1,943)	(3,331)

(b) Factors affecting the tax credit in the period

	Year ended 31 March 2016 £'000	Year ended 31 March 2015 £'000
Loss before before tax	(9,869)	(35,843)
Loss before tax multiplied by the standard rate of corporation tax of 20% (2015 21%)	(1,974)	(7,527)
Effects of		
Expenses not deductible for tax purposes	1,568	1,930
Interest expense not deductible for tax purposes	45	548
(Recognition) / non recognition of deferred tax on temporary differences	(1,646)	2,008
Profit on disposal of property	-	(213)
Special factors affecting joint-ventures and associates	19	73
UK Dividend income from associates	(154)	(195)
Effects of changes in tax rates	315	256
Adjustments in respect of prior years	(116)	(209)
Income tax credit	(1,943)	(3,331)

(c) Factors that may affect future tax charge

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the effective rate of 20% has been used in the computation of current tax.

Further changes to the UK Corporation tax system were announced in the Summer 2015 Budget Statement. The 2015 Finance Act includes legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017, and then to reduce the corporation tax rate further from 19% to 18% from 1 April 2020.

The reduction in tax rates was substantively enacted on 26 October 2015 and, therefore a tax rate of 18% has been used in these financial statements to measure the deferred tax assets and liabilities.

In the 2016 budget on 16 March 2016 it was announced that from 1 April 2020 the corporation tax rate would decrease to 17%. The 2016 budget had not been substantively enacted at the reporting date.

This is Global Limited

Notes to the Group Financial Statements (continued)

10 Intangible assets

	Software costs £'000	Radio Licences £'000	Goodwill £'000	Total £'000
Cost				
At 1 April 2015	17,268	1,476	632,413	651,157
Acquisitions	-	11,556	371	11,927
Additions	6,223	-	-	6,223
Disposals	(3,737)	-	-	(3,737)
At 31 March 2016	19,754	13,032	632,784	665,570
Amortisation and impairment				
At 1 April 2015	9,317	695	315,977	325,989
Charge for the year	4,231	1,134	-	5,365
Disposals	(3,737)	-	-	(3,737)
At 31 March 2016	9,811	1,829	315,977	327,617
Net book value				
At 31 March 2016	9,943	11,203	316,807	337,953
	Software costs £'000	Radio Licences £'000	Goodwill £'000	Total £'000
Cost				
At 1 April 2014	13,747	1,476	632,429	647,652
Acquisitions	-	-	(16)	(16)
Additions	6,291	-	-	6,291
Disposals	(2,770)	-	-	(2,770)
At 31 March 2015	17,268	1,476	632,413	651,157
Amortisation and impairment				
At 1 April 2014	9,498	561	315,977	326,036
Charge for the year	2,574	134	-	2,708
Disposals	(2,755)	-	-	(2,755)
At 31 March 2015	9,317	695	315,977	325,989
Net book value				
At 1 April 2014	4,249	915	316,452	321,616
At 31 March 2015	7,951	781	316,436	325,168

On the acquisition of Juice Holdco Limited the Group acquired a radio licence with a value of £11.5m. At 31 March 2016 the carrying value of the radio licence was £9.0m and it had a remaining useful economic life of 5 years.

The Group completes an impairment review of goodwill annually. In accordance with IAS 36 *Impairment of assets* ("IAS 36") the Group has completed a review of its operations and determined that the Group has one cash generating unit ("CGU"), being the Commercial Radio Broadcasting CGU, and for the purposes of testing for impairment the Group's entire goodwill is allocated to this CGU.

The Group estimates the recoverable amount of a CGU using a value in use model by projecting pre-tax cash flows for the next five years together with a terminal value using a long term growth rate. The key assumptions underpinning the recoverable amounts of the CGUs tested for impairment are forecast revenue and EBITDA.

The five year plans used in the impairment models are based on management's past experience and future expectations of performance.

The key assumptions used for all material CGUs are a pre-tax discount rate of 8.6% (2015: 8.1%), a short to medium term growth rate of 3% (2015: 3%), and a long term growth rate of 3% (2015: 3%).

The pre-tax discount rate used is derived from a weighted average cost of capital ("WACC") calculation for the Group and benchmarked against similar organisations operating within the sector. The long term growth rate used does not exceed the average for the sector.

This is Global Limited

Notes to the Group Financial Statements (continued)

10 Intangible assets (continued)

The total recoverable amount in respect of goodwill, as assessed by management using the above assumptions, is greater than the carrying amount and therefore no impairment charge has been booked

Management consider that it is not reasonably possible for the assumptions to change so significantly as to eliminate the excess.

11 Property, plant and equipment

	Land and buildings £'000	Transmitters, fixtures and technical equipment £'000	Total £'000
Cost			
At 1 April 2015	16,605	6,391	22,996
Additions	2,543	6,488	9,031
Disposals	(1,428)	(4,554)	(5,982)
At 31 March 2016	17,720	8,325	26,045
Depreciation			
At 1 April 2015	801	2,978	3,779
Charge for the year	1,600	2,541	4,141
Disposals	(1,428)	(4,554)	(5,982)
At 31 March 2016	973	965	1,938
Net book value			
At 31 March 2016	16,747	7,360	24,107

	Land and buildings £'000	Transmitters, fixtures and technical equipment £'000	Total £'000
Cost			
At 1 April 2014	18,242	8,453	26,695
Additions	3,442	1,758	5,200
Disposals	(5,079)	(3,820)	(8,899)
At 31 March 2015	16,605	6,391	22,996
Depreciation			
At 1 April 2014	3,470	5,175	8,645
Charge for the year	2,314	1,611	3,925
Disposals	(4,983)	(3,808)	(8,791)
At 31 March 2015	801	2,978	3,779
Net book value			
At 1 April 2014	14,772	3,278	18,050
At 31 March 2015	15,804	3,413	19,217

This is Global Limited

Notes to the Group Financial Statements (continued)

12. Equity accounted investments

	Investments in joint ventures £'000	Investments in associates £'000	Total £'000
Cost			
At 1 April 2015	604	238	842
Additions	-	-	-
(Decrease)/increase in equity accounted investments	(292)	206	(86)
At 31 March 2016	312	444	756

	Investments in joint ventures £'000	Investments in associates £'000	Total £'000
Cost			
At 1 April 2014	569	311	880
Additions	67	-	67
Decrease in equity accounted investments	(32)	(73)	(105)
At 31 March 2015	604	238	842

The Group's investments in joint ventures are

Name	Country	% Ownership
EG Digital Limited	UK	46.0
The Digital Radio Group (London) Limited	UK	46.5
Now Digital (East Midlands) Limited	UK	27.5

The Group's investments in associates are

Name	Country	% Ownership
Wildstar Records Limited	UK	50.0
CE Digital Limited	UK	50.0
Composed Limited	UK	50.0

13 Investments

	Investments £'000	Total £'000
Cost		
At 1 April 2015	488	488
Additions	5,600	5,600
At 31 March 2016	6,088	6,088
Provision for impairment		
At 1 April 2015	308	308
At 31 March 2016	308	308
Net book value		
At 31 March 2016	5,780	5,780

During the year the Group made an investment in a digital audio advertising solution provider

This is Global Limited

Notes to the Group Financial Statements (continued)

13. Investments (continued)

	Investments £'000	Total £'000
Cost		
At 1 April 2014	488	488
At 31 March 2015	488	488
Provision for impairment		
At 1 April 2014	308	308
At 31 March 2015	308	308
Net book value		
At 1 April 2014	180	180
At 31 March 2015	180	180

14. Trade and other receivables

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Gross trade receivables	34,067	28,426	34,676
Less provision for impairment	(131)	(379)	(196)
	33,936	28,047	34,480
Other debtors	3,638	5,637	3,920
Prepayments and accrued income	8,573	8,399	10,947
	46,147	42,083	49,347

The following table details the movements in the provision for the impairment of trade receivables

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Balance at the beginning of the year	379	196	168
Movement in provision	(248)	183	8
Balance at the end of the year	131	379	196

The carrying value of trade and other receivables is a reasonable approximation of the fair value of trade and other receivables

There are no material overdue trade receivables that have not been provided against.

15. Trade and other payables

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Trade payables	7,195	8,435	9,481
Other taxes and social security costs	8,293	6,809	7,589
Other creditors	3,693	3,969	4,846
Accruals and deferred income	30,367	28,020	29,098
	49,548	47,233	51,014

The carrying value of trade and other payables is a reasonable approximation of the fair value of trade and other payables

This is Global Limited

Notes to the Group Financial Statements (continued)

16 Borrowings

Current	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Bank loans and overdrafts	25,000	25,000	10,000
Accrued interest	17,297	15,462	19,169
	42,297	40,462	29,169
Non-current	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Bank loans	142,735	167,274	34,232
Other loans	678,137	676,340	813,240
	820,872	843,614	847,472

The nominal value of the Group's borrowings at each reporting date is as follows

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Accrued interest	17,297	15,462	19,169
Senior term loan notes	168,750	193,750	45,000
Fixed rate loan notes	99,573	129,339	112,469
Shareholder loan notes	258,654	224,916	195,679
Connected party loan 1	84,045	75,673	213,205
Connected party loan 2	-	11,671	76,254
Loan from parent entity	204,883	205,440	206,137
	833,202	856,251	867,813

The fair value of the Group's borrowings at each reporting date is as follows

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Accrued interest	17,297	15,462	19,169
Senior term loan notes	167,735	192,274	44,232
Fixed rate loan notes	122,945	160,048	133,090
Shareholder loan notes	309,465	278,317	231,437
Connected party loan 1	90,485	82,848	225,035
Connected party loan 2	-	12,566	79,258
Loan from parent entity	155,242	142,561	144,420
	863,169	884,076	876,641

This is Global Limited

Notes to the Group Financial Statements (continued)

16 Borrowings (continued)

The interest rates on the Group's borrowings are as follows

Interest rates on variable interest borrowings	31 March 2016 % above LIBOR	31 March 2015 % above LIBOR	1 April 2014 % above LIBOR
Senior term loan notes	2.15%	2.15%	2.15%
Connected party loan 1	10.50%	10.50%	10.50%
Connected party loan 2	-	10.00%	10.00%
Interest rates on fixed interest borrowings	31 March 2016 Fixed rate	31 March 2015 Fixed rate	1 April 2014 Fixed rate
Fixed rate loan notes	15.00%	15.00%	15.00%
Shareholder loan notes	15.00%	15.00%	15.00%
Loan from parent entity	0.00%	0.00%	0.00%
Weighted average interest rate on borrowings	8.59%	8.10%	9.30%

The Group's borrowings have the following maturity profile

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Less than one year	109,656	108,210	108,018
Two to five years	948,099	1,032,428	865,977
Over five years	-	-	206,137
	1,057,755	1,140,638	1,180,132
Less interest cash flows			
Senior term notes	(12,722)	(17,726)	(1,339)
Fixed rate loan notes	(72,511)	(82,454)	(67,481)
Shareholder loan notes	(102,125)	(143,384)	(117,347)
Connected party loan 1	(37,195)	(35,583)	(84,042)
Connected party loan 2	-	(5,240)	(32,110)
Loan from parent entity	-	-	-
Total principal cash flows	833,202	856,251	867,813

The senior term notes are secured by fixed and floating charges over the assets of the Group

The Group has undrawn committed borrowing facilities of £10 million at 31 March 2016 (31 March 2015 £10 million)

This is Global Limited

Notes to the Group Financial Statements (continued)

17 Provisions

	Onerous lease provision £'000	Total £'000
At 1 April 2014	4,653	4,653
Additions	664	664
Utilised during the year	(1,349)	(1,349)
Released during the year	(234)	(234)
At 31 March 2015	3,734	3,734
Additions	13	13
Acquired during the year	26	26
Utilised during the year	(202)	(202)
Released during the year	(1,014)	(1,014)
At 31 March 2016	2,557	2,557

The breakdown of provisions between current and non-current is as follows:

	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Current	1,221	1,011	1,124
Non-current	1,336	2,723	3,529
Total	2,557	3,734	4,653

The onerous lease provision is a provision for vacant office and studio space that the Group has leased but is not currently using. The provision is calculated as the difference between the total future lease payments less any amounts expected to be recovered by sub-leasing the space. There are inherent uncertainties in measuring the provisions of the future outflows.

18. Deferred tax

	Property plant and equipment and intangible assets £'000	Tax losses £'000	Financial instruments £'000	Pension surplus £'000	Other £'000	Total £'000
At 31 March 2015	428	-	4,569	(886)	1,005	5,116
Deferred tax assets	428	-	17,145	-	1,005	18,578
Deferred tax liabilities	-	-	(12,576)	(886)	-	(13,462)
At 31 March 2015	428	-	4,569	(886)	1,005	5,116
Credit/(charge) to the income statement	1,927	908	94	49	(975)	2,003
Recognised in other comprehensive income	-	-	-	204	-	204
Acquired in the year	(2,038)	-	-	-	-	(2,038)
At 31 March 2016	317	908	4,663	(633)	30	5,285
Deferred tax assets	2,215	908	14,095	-	30	17,248
Deferred tax liabilities	(1,898)	-	(9,432)	(633)	-	(11,963)
At 31 March 2016	317	908	4,663	(633)	30	5,285
At 1 April 2014	-	224	842	(819)	1,123	1,170
Deferred tax assets	-	224	13,603	495	1,123	15,445
Deferred tax liabilities	-	-	(12,961)	(1,314)	-	(14,275)
At 1 April 2014	-	224	842	(819)	1,123	1,170
Credit/(charge) to the income statement	428	(224)	3,927	(592)	(118)	3,421
Recognised in other comprehensive income	-	-	-	525	-	525
At 31 March 2015	428	-	4,569	(886)	1,005	5,116
Deferred tax assets	428	-	17,145	-	1,005	18,578
Deferred tax liabilities	-	-	(12,576)	(886)	-	(13,462)
At 31 March 2015	428	-	4,569	(886)	1,005	5,116

This is Global Limited

Notes to the Group Financial Statements (continued)

18 Deferred tax (continued)

Deferred tax is provided in full on taxable temporary differences under the liability method using applicable tax rates. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

The following table lists the Group's unrecognised deferred tax assets

	31 March 2016 £'000	31 March 2015 £'000
Property, plant and equipment	5,540	7,234
Tax losses	15,116	17,529
Other	31	4
	<u>20,687</u>	<u>24,767</u>

These potential deferred tax assets have not been recognised on the basis that it is not sufficiently certain when taxable profits that can be utilised to absorb the reversal of the temporary difference will be made in the future.

19 Share capital

	31 March 2016 £	31 March 2015 £	1 April 2014 £
<i>Issued, called up and fully paid</i>			
Ordinary shares of £1	<u>49,166,981</u>	<u>1</u>	<u>1</u>
	<u>49,166,981</u>	<u>1</u>	<u>1</u>

During the year £49,166,980 of loans were converted to 49,166,980 ordinary £1 shares which were issued, called up and fully paid.

20 Funding and financial risk management

Financial risk management

The Group holds and uses financial instruments to finance its operations and to manage its interest rate and liquidity risks. The Group primarily finances its operations using share capital, revenue and borrowings.

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Group is primarily funded by debt. Bank debt has been reduced during the year. The Group's operations are cash generative, and a general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis.

The Group does not engage in trading or speculative activities using derivative financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

Market risk

Market risk is the risk that changes in prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

Interest rate risk

Interest rate risk is the risk of a change in the Group's cash flows due to a change in interest rates. The Group has both fixed rate and floating rate borrowings. The ratio of fixed to floating rate borrowings is monitored on an ongoing basis to ensure that the Group is not too exposed to variability in interest rates.

Foreign exchange risk

Foreign exchange risk is the risk of a change in the Group's cash flows due to a change in foreign currency exchange rate. The vast majority of the Group's income and expenditure is in pound Sterling therefore the Group is not exposed to significant foreign exchange risk.

This is Global Limited

Notes to the Group Financial Statements (continued)

20 Funding and financial risk management (continued)

Market risk (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers

The directors consider the Group's credit risk from cash, cash equivalents and deposits to be low as the Group only enters transactions with banks or financial institutions with a credit rating of A or above

The Group has policies in place to manage potential credit risk from trade receivables. The Group mitigates the risk of payment default by its customers by the use of trade credit insurance for high value customers. Customer credit terms are determined using independent ratings agency data and regularly updated to reflect any changes in customer circumstances or trading conditions. Trade receivables are reviewed on a regular basis by the Group's credit control department to ensure debts are recovered in full

The directors do not expect any significant losses of receivables that have not been provided for

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's finance department regularly monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs

Capital Management

The Group relies on capital for organic growth. The Group defines capital as equity as shown in the Statement of Financial Position plus net debt (total borrowings less cash) and seeks to achieve an acceptable return on gross capital

The Group manages its capital structure using a number of measures and taking into account its future strategic plans. Such measures include ensuring the Group maintains sufficient liquidity from the cash that the Group has generated from operations

Fair value

Financial assets comprise trade and other receivables and cash and cash equivalents

Financial liabilities comprise trade and other payables and borrowings

The fair value of trade and other receivables, cash and cash equivalents and trade and other payables is not materially different from their carrying value

The following table shows the fair value of borrowings, including their value in the fair value hierarchy

	Fair value hierarchy	31 March 2016 £'000	31 March 2015 £'000	1 April 2014 £'000
Senior term notes	Level 3	167,735	192,274	44,232
Fixed rate loan notes	Level 3	122,945	160,048	133,090
Shareholder loan notes	Level 3	309,465	278,317	231,437
Connected party loan 1	Level 3	90,485	82,848	225,035
Connected party loan 2	Level 3	-	12,566	79,258
Loan from parent entity	Level 3	155,242	142,561	144,420
		845,872	868,614	857,472

This is Global Limited

Notes to the Group Financial Statements (continued)

21 Non-controlling interests

	Non-controlling interests £'000	Total £'000
At 1 April 2015	1,180	1,180
Share of profit after taxation for the year	1,177	1,177
Dividends paid to minority interests	(1,143)	(1,143)
At 31 March 2016	<u>1,214</u>	<u>1,214</u>

	Non-controlling interests £'000	Total £'000
At 1 April 2014	960	960
Share of profit after taxation for the year	1,107	1,107
Purchase of minority interests	(69)	(69)
Increase in minority interests	376	376
Dividends paid to minority interests	(1,194)	(1,194)
At 31 March 2015	<u>1,180</u>	<u>1,180</u>

22. Commitments and contingencies

The Group's commitments under non-cancellable operating leases are set out below

	31 March 2016 £'000	31 March 2015 £'000
Land and buildings		
Within one year	4,242	4,470
Between two and five years	11,638	15,776
After five years	8,563	8,562
	<u>24,341</u>	<u>28,808</u>

	31 March 2016 £'000	31 March 2015 £'000
Motor vehicles and equipment		
Within one year	987	1,253
Between two and five years	955	1,407
After five years	-	-
	<u>1,942</u>	<u>2,660</u>

The Group's future minimum lease rental income expected to be received under non-cancellable operating leases is as follows

	31 March 2016 £'000	31 March 2015 £'000
Lease rental income		
Within one year	96	-
Between two and five years	384	-
After five years	143	-
	<u>623</u>	<u>-</u>

The Group leases property, motor vehicles and office equipment. The Group's leases do not include any material contingent lease payments, purchase options, escalation clauses or restriction clauses.

This is Global Limited

Notes to the Group Financial Statements (continued)

23. Related party transactions

During the year the Group traded with its associates, joint ventures and with entities with common control to the Group. All transactions were in the normal course of business and priced under normal trade terms.

The Company's immediate parent company is Global Radio Group Limited (Jersey). Details of loans outstanding with this entity are given in note 16.

Digital Radio Group (London) Limited operates a digital radio multiplex and during the year the Group paid £105,000 (2015: £133,000) to this company for transmission services. The Group had an outstanding balance of £nil at 31 March 2016 (2015: £9,000).

Radio Centre Limited is a trade body promoting commercial radio to advertisers. Radio Centre Limited is funded by levies paid by the commercial radio industry in the UK based on volumes of advertising revenue. During the year the Group paid £1,371,000 (2015: £1,746,000) in levies to Radio Centre Limited and had an outstanding balance of £nil at 31 March 2016 (2015: £nil).

CE Digital operates three local digital radio multiplexes. During the year the Group paid £2,755,000 (2015: £2,659,000) to CE Digital in respect of transmission services and received £nil (2015: £100,000) in respect of legal expertise and engineering time. The Group had an outstanding balance of £nil at 31 March 2016 (2015: £633,000).

Now Digital East Midlands Limited, an associate of the Group, operates digital radio multiplexes and during the year the Company paid £653,000 (2015: £765,000) to this company for transmission services. The Group had an outstanding creditor of £nil at 31 March 2016 (2015: £65,000).

During the year a number of Directors were granted loans in relation to a cash-settled share based payment arrangement. The loans are due for repayment on the settlement of the scheme (see note 25). The loan balances totalled £374,770 at 31 March 2016 (2015: £374,770).

During the year the Group had a number of recharge accounts with various members of the Global Entertainment and Talent Group, with whom the Group shares a Director. As at 31 March 2016 the outstanding debtor was £683,000 (2015: £1,848,000). This has been fully repaid since the year end. During the year the Group charged the Global Entertainment and Talent Group £40,000 (2015: £40,000) in respect of occupancy, and Global Entertainment and Talent Group charged the Group £60,000 (2015: £60,000) in respect of consultancy.

The Group considers the directors to be key management personnel. Related party transactions with key management personnel have been disclosed in note 6.

In the opinion of the Directors, there were no other related party transactions during the year.

24. Business combinations

On 8 October 2015 the Group acquired the entire share capital (and 100% of the voting rights) of Juice Holdco Limited through its subsidiary Global Radio Holdings Limited. Juice Holdco Limited was a radio broadcaster in Liverpool.

The primary reason for the acquisition was the purchase of a radio licence, shown below in intangibles, to expand the Group's Capital FM radio station to the Liverpool area. The goodwill has been allocated to the Commercial Radio Broadcasting cash generating unit. None of the purchased goodwill is deductible for tax purposes.

The main factor leading to the recognition of goodwill was the expected additional advertising revenue and the expected operational efficiencies through economies of scale.

The details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Fair value £'000
Intangible assets	11,556
Deferred tax asset	43
Trade and other receivables	335
Cash	595
Trade and other payables	(5,373)
Provisions	(26)
Deferred tax liability	(2,081)
Net assets acquired	5,049
Goodwill	371
Total consideration	5,420
Satisfied by	5,420
Cash	5,420

This is Global Limited

Notes to the Group Financial Statements (continued)

24 Business combinations (continued)

There were fair value adjustments to property, plant and equipment (decrease of £199,000) to write off assets which had no value to the Group, to intangible assets (an increase of £356,000 to the acquired radio licence), to recognise a deferred tax asset (£43,000) and to recognise a deferred tax liability (£64,000) for the acquired intangible assets

The total consideration was paid in full on the acquisition of Juice Holdco Limited and there was no deferred consideration in relation to the transaction

Acquisition related costs of £472,000 have been charged to administration expenses in the Income Statement for the year ended 31 March 2016

Since the acquisition date Juice Holdco Limited has contributed £1,497,000 to the Group revenue. If the acquisition had occurred on 1 April 2015 the contribution to Group revenue would have been £2,387,000.

25 Share-based payments

The Group operates cash-settled share-based payment arrangements as follows

The Growth Shares Scheme ("the Scheme")

On 30 January 2015, a number of directors acquired C, D, E and F shares in GRHL, for which the directors paid unrestricted market value. The C, D, E and F shares are subject to a put and call option structure whereby the directors may sell the shares to GRHL, or GRHL may acquire the shares from the directors for cash, within various 60 day windows between on 1 August 2017 and 30 September 2025. The value at which the shares can be bought or sold shall be determined by a formula based on the growth in value of the shares over a certain minimum threshold value. The shares provide the holder with an interest in the growth of the business beyond that threshold, which has been set at 20% above the original value.

The number of C, D, E and F shares issued in 2015 and outstanding at 31 March 2016 was 375,085 (31 March 2015 375,085).

The EBITDA used to determine the value of the C, D, E and F Shares will be the EBITDA for the year ended immediately before the date of disposal.

Share-based payment expense

The charge recognised in the Income Statement in respect of the Scheme was £5,499,000 (2015 £3,666,000).

Share-based payment liability

The Scheme requires the Group to pay the intrinsic value of these share-based payments to the employee at the date of exercise. The liability is re-valued at each reporting date and settlement date with any changes to fair value being recognised in the profit and loss account. The Group has recorded liabilities in respect of unvested grants of £9,165,000 (2015 £3,666,000).

26 Defined benefit pension schemes

The Group operates three pension schemes on behalf of its employees. The Global Radio Group Personal Pension Plan ("GRGPPP") is a defined contribution scheme.

All current employees are eligible to join the GRGPPP, which new employees are enrolled in automatically when they begin employment with the Group. At 31 March 2016 1,219 (2015 1,330) employees were active members of this scheme. The Group makes age-related employer contributions to the scheme.

The Capital Radio plc Pension and Assurance Scheme ("CRPPAS") and the Midlands Radio Group Pension Scheme ("MRGPS") are contributory defined benefit schemes. Both defined benefit schemes were closed to new employees from 31 March 1995. At 31 March 2016, the MRGPS had 7 (2015 7) active members and the CRPPAS had 4 (2015 4) active members.

The pension cost charge for the year represents contributions payable by the Group to the schemes and amounted to £1,805,000 (2015 £1,415,000).

Contributions amounting to £289,000 (2015 £260,000) were payable to the schemes at the end of the financial year and are included in other creditors.

The actual return on the two defined benefit pension schemes assets over the period from 1 April 2015 to 31 March 2016 was a loss of £221,000 for MRGPS and £2,716,000 for CRPPAS (loss for the period from 1 April 2014 to 31 March 2015 was £2,523,000 and £2,867,000 respectively).

The expected long-term rate of return on assets assumption is assessed by considering the current level of returns on risk-free investments (primarily government bonds) and the expectations for the risk premium of each asset class. The expected return for each asset class is then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

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Notes to the Group Financial Statements (continued)

26 Defined benefit pension schemes (continued)

The amounts recognised in the consolidated Statement of Financial Position are as follows

	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000
Present value of funded obligations	(35,867)	(40,808)	(33,508)
Fair value of scheme assets	39,391	45,240	40,078
Surplus in scheme	<u>3,524</u>	<u>4,432</u>	<u>6,570</u>

The amounts recognised in the consolidated Income Statement are as follows

	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000
Current service cost	(187)	(143)	(127)
Interest on obligation	(1,403)	(1,550)	(1,525)
Expected return on scheme assets	<u>1,557</u>	<u>1,858</u>	<u>1,818</u>
Total	<u>(33)</u>	<u>165</u>	<u>166</u>
Actual return on scheme assets	<u>(2,927)</u>	<u>5,390</u>	<u>1,499</u>

Movements in the present value of the defined benefit obligation were as follows

	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000
Opening defined benefit obligation	40,808	33,508	32,692
Current service cost	187	143	127
Interest cost	1,402	1,550	1,525
Contributions by scheme participants	17	18	(52)
Actuarial (gains)/losses	(1,604)	6,161	585
Benefits paid	<u>(4,943)</u>	<u>(572)</u>	<u>(1,369)</u>
	<u>35,867</u>	<u>40,808</u>	<u>33,508</u>

Changes in the fair value of scheme assets were as follows

	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000
Opening fair value of scheme assets	45,240	40,078	37,438
Expected return on assets	1,557	1,858	1,818
Actuarial (losses)/gains	(2,739)	3,532	(319)
Contributions by employer	333	438	2,622
Contributions by scheme participants	24	25	24
Benefits paid	(4,943)	(572)	(1,369)
Expenses paid by scheme	<u>(81)</u>	<u>(119)</u>	<u>(136)</u>
	<u>39,391</u>	<u>45,240</u>	<u>40,078</u>

The total amount recognised in the Group Statement of Comprehensive Income in respect of actuarial losses on assets is £2,739,000 (2015 gain of £3,532,000) and the amount recognised for actuarial gains on liabilities is £1,604,000 (2015 loss of £6,161,000)

The two schemes are fully funded by the Group and the scheme members who contribute a percentage of salary. The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

The Group expects to contribute £333,000 to its defined benefit pension schemes in 2017 (2016 £438,000)

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Notes to the Group Financial Statements (continued)

26 Defined benefit pension schemes (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows

	31 March 2016	31 March 2015	31 March 2014
Equities	39.05%	53.99%	54.93%
Bonds	32.70%	32.23%	30.94%
Diversified growth funds	28.25%	13.78%	14.13%

Principal actuarial assumptions at the reporting dates were (expressed as weighted averages)

	31 March 2016	31 March 2015	31 March 2014
Discount rate	3.70%	3.50%	4.65%
Future salary increases	3.10%	3.10%	3.45%
Future pension increases	3.30%	3.30%	3.48%
Inflation assumption	2.85%	3.10%	3.45%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates

The assumed life expectations on retirement age 65 are

	31 March 2016 Number	31 March 2015 Number	31 March 2015 Number
Retiring today			
Males	27.5	22.4	22.2
Females	29.5	24.4	24.4
Retiring in 20 years			
Males	29.4	29.2	28.5
Females	31.5	31.3	31.1

Amounts for the current and previous year are as follows

	31 March 2016 £'000	31 March 2015 £'000	31 March 2014 £'000	31 March 2013 £'000
Defined benefit obligation	(35,867)	(40,808)	(33,508)	(32,692)
Scheme assets	39,391	44,942	39,905	37,438
	3,524	4,134	6,397	4,746
Experience adjustments on scheme liabilities	1,604	(8,161)	(516)	(2,828)
Experience adjustments on scheme assets	(2,739)	3,363	(336)	2,702

Under IAS 19 both schemes show a surplus. In accordance with IAS 19, the Group has recognised an asset on the Statement of Financial Position in relation to the surplus in the schemes because the Group has an unconditional right to realise the surplus during the plan or when the plan is settled.

The Group is exposed to a number of risks relating to the defined benefit schemes (the "schemes") including assumptions not being borne out in practice. The most significant risks are as follows:

This is Global Limited

Notes to the Group Financial Statements (continued)

26 Defined benefit pension schemes (continued)

Asset volatility

There is a risk that a fall in asset values is not matched by corresponding reduction in the value placed on the schemes. The schemes hold a proportion of growth assets, which are expected to outperform corporate or government bond yields in the long term, but gives exposure to volatility and risk in the short-term.

Change in bond yields

A decrease in corporate bond yields will increase the value placed on the scheme's liabilities, although this will be partially offset by an increase in the value of the scheme's corporate bond holdings.

Inflation risk

The majority of the scheme's liabilities are linked to inflation where higher inflation will lead to higher scheme liabilities. Some of the scheme assets are either unaffected by inflation or loosely correlated with inflation (eg, growth assets), meaning that an increase in inflation will generally increase scheme liabilities.

Life expectancy

An increase in life expectancy will lead to an increased value being placed on the scheme's liabilities. Future mortality rates cannot be predicted with certainty.

Actuarial assumption sensitivity

The discount rate is set by reference to market conditions at the reporting date, and can vary significantly between periods. The earnings increases are linked to inflation and so set by reference to market conditions at the reporting date. The mortality assumptions used are set by considering the experience of the scheme's members, and by making an allowance for possible future improvements in longevity. Mortality assumptions are difficult to set accurately, and forecasting rates of future mortality improvement is inevitably speculative.

Actuarial assumption sensitivity

The discount rate, earnings increases and inflation rates are set by reference to market conditions at the reporting date, and can vary significantly between periods.

A decrease in the discount rate by 0.1% will increase the scheme's liabilities by £667,000.

An increase in inflation and salary growth assumptions by 0.1% will increase the scheme's liabilities by £256,000.

27. Note supporting Statement of Cash Flows

Significant non cash transactions in the year in respect of financing activities comprised unpaid interest which was capitalised into borrowings of £61,510,000 (2015: £82,996,000) and £49,167,980 of loans were converted to share capital.

28 Immediate and ultimate parent Company

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

The largest and smallest Group in which the results of the Company are consolidated is that headed by Global Radio Group Limited.

29 Guarantees, financial commitments and contingent liabilities

Guarantees

The Company will guarantee the debts and liabilities of certain UK subsidiaries (as asterisked in note 33) at the reporting date in accordance with section 479A of the Companies Act 2006. The Company has assessed the probability of loss under these guarantees as remote.

Security

The assets of the Group are pledged to their bankers as security against loans by way of a floating charge over the assets.

VAT Group

The Company is a member of a group for VAT for group purposes resulting in a joint and several liability for amounts owing by other Group companies for unpaid VAT.

Financial commitments

The Group has entered into agreements with transmission supply companies and digital multiplex operators for the transmission of its radio stations for periods up to 2022 at competitive prices and to ensure supply. At the year end the commitments to purchase space on transmitters was £90,053,000 (2015: £121,460,000).

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Notes to the Group Financial Statements (continued)

30 First time adoption of IFRS

These financial statements, for the year ended 31 March 2016, are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 March 2015, the Group prepared its financial statements in accordance with UK GAAP.

The date of transition to IFRS (the "transition date") was 1 April 2014.

The accounting policies described in note 1 were applied when preparing the opening IFRS Group Statement of Financial Position at the transition date and the Group Income Statement, Group Statement of Comprehensive Income, Group Statement of Financial Position, Group Statement of Changes in Equity and Group Statement of Cash Flows from the transition date to 31 March 2016.

This note explains the principal adjustments made by the Group in restating its UK GAAP Group Balance Sheet (to IFRS Group Statement of Financial Position) as at 1 April 2014 and 31 March 2015 and UK GAAP Group Profit and Loss Account (to IFRS Group Income Statement) and Group Statement of Recognised Gains and Losses (to IFRS Group Statement of Other Comprehensive Income) for the year ended 31 March 2015.

In preparing its opening IFRS Group Statement of Financial Position and adjusting amounts reported previously in accordance with UK GAAP the Group has applied IFRS 1 which contains a number of voluntary exemptions and mandatory exceptions from the requirement to apply IFRS retrospectively.

Exceptions and Exemptions used during transition to IFRS

The Group has applied the mandatory exception required by IFRS 1 in the conversion from UK GAAP to IFRS which requires that hindsight is not used to create or revise estimates. The estimates previously made by the Company under UK GAAP were not revised for the application of IFRS except where necessary to reflect any difference in accounting policies.

Adjustments Made in Connection with transition to IFRS

The most significant impacts of the adoption of IFRS on the Group's previously reported financial information are as follows:

- Under UK GAAP borrowings were valued at the nominal value of the loan and then at amortised cost. Under IFRS borrowings are initially valued at the fair value of the loan and then amortised cost.
- The reclassification of capitalised software costs from tangible fixed assets to intangible assets.
- Under UK GAAP the surplus on the defined benefit schemes was not recognised on the balance sheet. Under IFRS the surplus on the schemes is recognised on the Statement of Financial Position.

Impact on the cash flow statements

The Group has made a number of reclassifications to the values reported under UK GAAP in order to present its Statement of Cash Flows in accordance with IFRS. These reclassification adjustments have no significant impact on the results presented for each type of the Group's activities.

The transition from UK GAAP to IFRS has not had a material impact on the Statement of Cash Flows.

The following tables give the reconciliations of:

- UK GAAP Group Balance Sheet to IFRS Group Statement of Financial Position at 1 April 2014 and 31 March 2015
- UK GAAP Group Profit and Loss account to IFRS Group Income Statement for the year ended 31 March 2015
- UK GAAP Group Statement of Total Recognised Gains and Losses to IFRS Group Statement of Other Comprehensive Income for the year ended 31 March 2015

This is Global Limited

Notes to the Group Financial Statements (continued)

30 First time adoption of IFRS (continued)

Reconciliation of the Group Statement of Financial Position at 1 April 2014									
	UK GAAP	Sharewings ¹	Software costs ²	Radio licences ³	Amortisation of goodwill ⁴	Lease liabilities ⁵	Loan termination costs ⁶	Surplus on the defined benefit pension scheme ⁷	IFRS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS									
Non-current assets									
Intangible assets	318,452	-	4,249	815	-	-	-	-	323,516
Property, plant and equipment	23,214	-	(4,249)	(915)	-	-	-	-	18,050
Investments in associates	580	-	-	-	-	-	-	-	580
Investments	180	-	-	-	-	-	-	-	180
Surplus on defined benefit pension scheme	-	-	-	-	-	-	-	8,630	8,630
Deferred tax asset	1,847	843	-	-	-	-	-	(173)	1,517
	<u>342,073</u>	<u>843</u>						<u>8,357</u>	<u>351,973</u>
Current assets									
Current tax assets	1,887	-	-	-	-	-	-	-	1,887
Trade and other receivables	50,115	-	-	-	-	-	(798)	-	49,317
Cash	73,144	-	-	-	-	-	(798)	-	72,346
	<u>125,046</u>	<u>-</u>					<u>(1,596)</u>		<u>123,450</u>
Total assets	467,119	843					(248)	8,357	475,923
CURRENT LIABILITIES									
Trade and other payables	50,950	-	-	-	-	61	-	-	51,011
Borrowings	29,166	-	-	-	-	-	-	-	29,166
Provisions	1,126	-	-	-	-	-	-	-	1,126
	<u>81,242</u>	<u>-</u>				<u>61</u>			<u>81,303</u>
NON-CURRENT LIABILITIES									
Borrowings	839,644	9,500	-	-	-	-	(798)	-	847,346
Provisions	3,629	-	-	-	-	-	-	-	3,629
	<u>843,273</u>	<u>9,500</u>					<u>(798)</u>		<u>851,975</u>
TOTAL LIABILITIES	924,515	9,500				61	(798)		933,333
NET LIABILITIES	(457,406)	(8,657)				(131)		8,357	(425,026)
EQUITY									
Share capital	(458,000)	(8,657)	-	-	-	(31)	-	8,781	(458,207)
Retained deficit	(458,000)	(8,657)	-	-	-	(31)	-	8,781	(458,207)
Total equity	(458,000)	(8,657)				(31)		8,781	(458,207)
Attributable to:									
Owners of the Company	(457,208)	(8,654)	-	-	-	(61)	-	8,781	(465,342)
Non-controlling interests	802	-	-	-	-	-	-	-	802
	<u>(458,000)</u>	<u>(8,654)</u>				<u>(131)</u>		<u>8,781</u>	<u>(458,207)</u>

Reconciliation of the Group Statement of Financial Position at 31 March 2015									
	UK GAAP	Sharewings ¹	Software costs ²	Radio licences ³	Amortisation of goodwill ⁴	Lease liabilities ⁵	Loan termination costs ⁶	Surplus on the defined benefit pension scheme ⁷	IFRS
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
ASSETS									
Non-current assets									
Intangible assets	294,682	-	7,061	781	21,454	-	-	-	323,978
Property, plant and equipment	27,843	-	(7,061)	(781)	-	-	-	-	20,001
Investments in associates	843	-	-	-	-	-	-	-	843
Investments	190	-	-	-	-	-	-	-	190
Surplus on defined benefit pension scheme	-	-	-	-	-	-	-	4,432	4,432
Deferred tax asset	1,008	4,588	-	-	-	-	-	(429)	5,167
	<u>324,526</u>	<u>4,588</u>			<u>21,454</u>			<u>3,973</u>	<u>354,548</u>
Current assets									
Current tax assets	121	-	-	-	-	-	-	-	121
Trade and other receivables	43,959	-	-	-	-	-	(1,476)	-	42,483
Cash	43,037	-	-	-	-	-	(1,418)	-	41,619
	<u>87,117</u>	<u>-</u>					<u>(2,894)</u>		<u>84,223</u>
Total assets	411,643	4,588			21,454		(2,894)	3,973	438,803
LIABILITIES									
Current liabilities									
Trade and other payables	47,127	-	-	-	-	108	-	-	47,235
Borrowings	40,482	-	-	-	-	-	-	-	40,482
Provisions	1,811	-	-	-	-	-	-	-	1,811
	<u>89,420</u>	<u>-</u>				<u>108</u>			<u>91,323</u>
Non-current liabilities									
Borrowings	815,786	29,301	-	-	-	-	(1,478)	-	843,609
Provisions	3,723	-	-	-	-	-	-	-	3,723
	<u>819,511</u>	<u>29,301</u>					<u>(1,478)</u>		<u>844,334</u>
Total liabilities	908,931	29,301				108	(1,478)		933,856
Net liabilities	(497,288)	(24,713)			21,454	(100)		3,973	(495,053)
EQUITY									
Share capital	(498,000)	(24,713)	-	-	21,454	(100)	-	3,973	(498,286)
Retained deficit	(498,000)	(24,713)	-	-	21,454	(100)	-	3,973	(498,286)
Total equity	(498,000)	(24,713)			21,454	(100)		3,973	(498,286)
Attributable to:									
Owners of the Company	(498,000)	(24,713)	-	-	21,454	(100)	-	3,973	(498,286)
Non-controlling interests	-	-	-	-	-	-	-	-	-
	<u>(498,000)</u>	<u>(24,713)</u>			<u>21,454</u>	<u>(100)</u>		<u>3,973</u>	<u>(498,286)</u>

This is Global Limited

Notes to the Group Financial Statements (continued)

30 First time adoption of IFRS (continued)

Reconciliation of the Group Income Statement for the year ended 31 March 2018								
UK GAAP	Borrowings ^(a)	Software costs ^(b)	Radio licences ^(c)	Amortisation of goodwill ^(d)	Lease incentives ^(e)	Loan transaction costs ^(f)	Surplus on the defined benefit pension scheme ^(g)	IFRS
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	265,195							265,195
Operating costs	(50,517)							(50,517)
Gross profit	214,682							214,682
Administrative expenses	(176,578)			21,454	(45)			(155,169)
Operating profit	38,104			21,454	(45)			59,513
Finance income	2,008							2,008
Finance expenses	(76,273)	(18,775)						(95,048)
Net Finance costs	(74,265)	(18,775)						(93,040)
Share of profit of equity-accounted investee, net of tax	963							963
Loss before taxation	(37,496)	(18,775)		21,454	(45)			(34,862)
Income tax expense	(430)	5,308						4,878
Loss for the year	(37,926)	(13,467)		21,454	(45)			(30,014)
Attributable to:								
Owners of the Company	(38,023)	(13,775)		21,454	(45)			(30,419)
Non-controlling interests	97	308						403
	(37,926)	(13,467)		21,454	(45)			(30,014)

Reconciliation of the Group Statement of Comprehensive Income for the year ended 31 March 2018								
UK GAAP	Borrowings ^(a)	Software costs ^(b)	Radio licences ^(c)	Amortisation of goodwill ^(d)	Lease incentives ^(e)	Loan transaction costs ^(f)	Surplus on the defined benefit pension scheme ^(g)	IFRS
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Loss for the financial year	(37,926)	(13,467)		21,454	(45)			(30,014)
Item that may be reclassified to profit or loss								
Actuarial loss related to the pension scheme	(2,815)							(2,815)
Increases in pension surplus not recognised	2,283							2,283
Deferred tax on actuarial loss								
Other comprehensive loss for the year, net of tax	(5,532)	(13,467)						(19,019)
Total comprehensive loss for the year	(43,458)	(26,934)		21,454	(45)			(49,037)
Attributable to:								
Owners of the Company	(43,555)	(27,232)		21,454	(45)			(49,418)
Non-controlling interests	97	298						395
	(43,458)	(26,934)		21,454	(45)			(49,037)

(a) *Borrowings* – Under UK GAAP borrowings were valued at the nominal value of the loan and then at amortised cost. Under IFRS borrowings are initially valued at the fair value of the loan and then amortised cost.

(b) *Software costs* – Under UK GAAP capitalised software costs were classified as part of the associated fixed assets. Under IFRS capitalised software costs are classified as intangible assets.

(c) *Radio licences* – Under UK GAAP radio licences were classified as tangible assets. Under IFRS radio licences are classified as intangible assets.

(d) *Amortisation of goodwill* – Under UK GAAP goodwill was amortised over 20 years. Under IFRS goodwill is not amortised.

(e) *Lease incentives* – Under UK GAAP lease incentives are amortised over the period of associated benefit being the shorter of the period of the lease or the period to the next rent review date. Under IFRS lease incentives are amortised over the term of the lease.

(f) *Loan transaction costs* – Under UK GAAP loan transaction costs are recorded as a debtor and then amortised over the period of the loan. Under IFRS the loan transaction costs are netted off the value of the loan and then amortised over the period of the loan.

(g) *Surplus on the defined benefit scheme* – Under UK GAAP the surplus on the defined benefit scheme was not recorded on the balance sheet. Under IFRS the surplus on the defined benefit scheme is recorded as an asset on the statement of financial position, with the movement being taken to the income statement and the statement of comprehensive income.

This is Global Limited

Company Balance Sheet

At 31 March 2016

Company number 06251684

	Note	31 March 2016 £'000	31 March 2015 £'000
Fixed assets			
Investments	33	<u>92,440</u>	<u>92,440</u>
		92,440	92,440
Current assets			
Debtors	34	<u>377,513</u>	<u>373,300</u>
Cash		<u>18</u>	<u>9</u>
		377,531	373,309
Creditors amounts falling due within one year	35	<u>(46,079)</u>	<u>(40,323)</u>
Net current assets		331,452	332,986
Total assets less current liabilities		<u>423,892</u>	<u>425,426</u>
Creditors amounts falling due after more than one year	36	<u>(820,872)</u>	<u>(831,049)</u>
Net liabilities		<u>(396,980)</u>	<u>(405,623)</u>
Equity			
Share capital	37	<u>49,167</u>	<u>-</u>
Retained deficit		<u>(446,147)</u>	<u>(405,623)</u>
		<u>(396,980)</u>	<u>(405,623)</u>

The notes on pages 46 to 55 form part of these financial statements

The financial statements were approved and authorised for issue by the board of directors on 29 July 2016 and were signed on its behalf by



D D Singer
Director
29 July 2016

This is Global Limited

Company Statement of Changes in Equity **For the year ended 31 March 2016**

	Share capital	Retained deficit	Total equity
	£'000	£'000	£'000
At 1 April 2016	-	(405,623)	(405,623)
Loss for the year	-	(40,524)	(40,524)
Issued in the year	49,167	-	49,167
At 31 March 2016	49,167	(446,147)	(396,980)

The notes on pages 46 to 55 form part of these financial statements

This is Global Limited

Notes to the Company Financial Statements

31. Accounting policies for the Company financial statements

a) Reporting entity

This is Global Limited (the "Company") is incorporated and domiciled in the United Kingdom

The Company's principal activity was the operation of commercial radio stations in the United Kingdom

The Company financial statements were approved by the board of directors on 29 July 2016

b) Statement of compliance

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006

As permitted by Section 408(2) of the Companies Act 2006 information about the Company's employee numbers and costs have not been presented

As permitted by Section 408(3) of the Companies Act 2006, the Company's Profit and Loss Account and Statement of Other Comprehensive Income and related notes have not been presented as the Company's Group Accounts have been prepared in accordance with the Companies Act 2006

c) Functional and presentational currency

These financial statements are presented in pounds Sterling (£), which is the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated

d) Basis of preparation

The financial statements have been prepared on a historical cost basis, and are in accordance with the Companies Act 2006

The accounting policies set out below have been applied consistently to all periods presented in these financial statements

For all periods up to and including the year ended 31 March 2015, the Company prepared financial statements in accordance with United Kingdom Generally Accepted Accounting Principles ("UK GAAP"). These financial statements for the year ended 31 March 2016 are the first the Company has prepared in accordance with FRS 100 and FRS 101.

The Company's deemed transition date to FRS 100 and FRS 101 was 1 April 2014. This change in the basis of preparation has materially altered the recognition and measurement requirements previously applied in accordance with UK GAAP. Details of how the transition from UK GAAP to FRS 100 and FRS 101 has affected the Company's reported position and performance are given in note 39 to the Company financial statements

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include

- certain comparative information as otherwise required by EU endorsed IFRS,
- certain disclosures regarding the company's capital,
- a Statement of Cash Flows,
- the effect of future accounting standards not yet adopted,
- the disclosure of the remuneration of key management personnel, and
- disclosure of related party transactions with other wholly owned members of the group headed by This is Global Limited

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Group financial statements of This is Global Limited. These financial statements do not include certain disclosures in respect of

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value),
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value), and
- Impairment of assets

This is Global Limited

Notes to the Company Financial Statements (continued)

31. Accounting policies for the Company financial statements (continued)

e) Investments

Investments are included in the Balance Sheet at cost less amounts written-off, representing impairment in value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Going concern

At the date of these accounts, the directors have carried out a detailed and comprehensive review of the business and its future prospects. In particular they have compared the forecast future performance of the Company and anticipated cash flows with the available working capital facilities and covenants contained in the banking arrangements that form part of the Company's current financing structure and, in the light of current economic conditions, have considered the ability of the group to meet its obligations as they fall due. In the opinion of the directors, the Company are expected to be able to continue trading within the current arrangements and consequently the financial statements are presented on a going concern basis.

g) Accounting policies for the Company financial statements

The Company's accounting policies are the same as the Group's accounting policies, as detailed in note 1 to the Group financial statements, for the following:

Company FRS 101 accounting policy	Group IFRS accounting policy	Note
New accounting standards	New accounting standards	1g
Critical accounting estimates and judgments	Critical accounting estimates and judgments	1h
Debtors	Trade and other receivables	1p
Cash	Cash	1q
Share capital	Share capital	1r
Creditors	Trade and other payables	1s
Interest receivable and similar income	Finance income and expense	1u
Interest payable and similar expense	Finance income and expense	1u
Financial instruments	Financial instruments	1v
Current and deferred tax	Current and deferred tax	1w
Revenue recognition	Revenue recognition	1aa
Fair value measurement	Fair value measurement	1cc

32. Directors

Information on Company's directors is provided in note 6 to the Group financial statements.

33. Investments

	Investments in subsidiary companies £'000	Total £'000
At 1 April 2015	92,440	92,440
At 31 March 2016	<u>92,440</u>	<u>92,440</u>

This is Global Limited

Notes to the Company Financial Statements (continued)

33 Investments (continued)

The Company's subsidiaries, including subsidiaries held by indirect holding companies, are

Name	Country	% Ownership
Amber Radio Limited	United Kingdom	100
Angels in Radio Limited	United Kingdom	100
Arrow Digital Limited	United Kingdom	100
Atlantic Broadcasting Limited*	United Kingdom	100
Beat FM Limited	United Kingdom	100
Belfast Radio limited	United Kingdom	100
Border Limited	United Kingdom	100
Bristol Broadcasting Company Limited	United Kingdom	100
Bristol Radio Company Limited	United Kingdom	100
Buzz FM Limited	United Kingdom	100
Cambridge and Newmarket FM Radio Limited	United Kingdom	100
Capital (CDWM) Limited	United Kingdom	100
Capital Gold Hampshire Limited	United Kingdom	100
Capital Gold Kent Limited	United Kingdom	100
Capital Gold Manchester Limited*	United Kingdom	100
Capital Gold Sussex Limited	United Kingdom	100
Capital Interactive Limited	United Kingdom	100
Capital Online Limited	United Kingdom	100
Capital Radio (London) Limited	United Kingdom	100
Capital Radio Investments Limited*	United Kingdom	100
Capital Radio Limited	United Kingdom	100
Capital Radio Restaurants Group Limited	United Kingdom	100
Capital Radio Restaurants Limited	United Kingdom	100
Capital Radio Trustee Limited	United Kingdom	100
Capital Television Limited	United Kingdom	100
Capital Xtra Limited*	United Kingdom	100
Castleform Limited	United Kingdom	100
Central European Broadcasting Limited	United Kingdom	100
Central Region News Limited	United Kingdom	100
Champion FM Limited	United Kingdom	100
Cheerdale Limited	United Kingdom	100
Chill Radio Limited*	United Kingdom	100
Chiltern Radio Limited*	United Kingdom	100
Choice FM London Limited	United Kingdom	100
Choice FM North London Limited	United Kingdom	100
Classic FM BV	Netherlands	100
Classic FM Limited*	United Kingdom	100
Core Digital Radio Limited	United Kingdom	100
Cotswold Broadcasting Company Limited	United Kingdom	100
Deansgate 1001 Limited	United Kingdom	100
Devonair Radio Limited	United Kingdom	100
Diamond FM Limited	United Kingdom	100
Digital News Network Limited	United Kingdom	100
Digital Two Limited	United Kingdom	100
DQ Radio Services Limited*	United Kingdom	100
East Anglian Radio Limited	United Kingdom	100
Ecast Ventures Limited	United Kingdom	100
Essex Radio Limited*	United Kingdom	100
Expressway Limited	United Kingdom	100
Faze Three (East Midlands) Limited	United Kingdom	100

*Exemption from Audit by Parent Guarantee - Entity's debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006

This is Global Limited

Notes to the Company Financial Statements (continued)

33 Investments (continued)

The Company's subsidiaries, including subsidiaries held by in direct holding companies, are

Name	Country	% Ownership
First Oxfordshire Radio Company Limited*	United Kingdom	100
Galaxy Radio Birmingham Limited*	United Kingdom	100
Galaxy Radio Limited	United Kingdom	100
Galaxy Radio Manchester Limited	United Kingdom	100
Galaxy Radio North East Limited*	United Kingdom	100
Galaxy Radio Yorkshire Limited*	United Kingdom	100
GCap FRB (No 1) Limited	United Kingdom	100
GCap FRB (No 2) Limited	United Kingdom	100
GCap Local Data Company Limited	United Kingdom	100
GCap Media (CRUD) Limited	United Kingdom	100
GCap Media (FPRL) Limited	United Kingdom	100
GCap Media (The Jazz) Limited	United Kingdom	100
GCap Media Limited	United Kingdom	100
Gemini Radio Limited*	United Kingdom	100
Glasgow Gold Limited	United Kingdom	100
Global Media Ventures Limited	United Kingdom	100
Global Music Television Limited*	United Kingdom	100
Global Music TV Limited	United Kingdom	100
Global Radio (AM) Limited*	United Kingdom	100
Global Radio Acquisitions Limited	United Kingdom	100
Global Radio Digital Limited	United Kingdom	100
Global Radio Hampshire Limited*	United Kingdom	100
Global Radio Holdings Limited	United Kingdom	100
Global Radio Limited	United Kingdom	100
Global Radio London Limited*	United Kingdom	100
Global Radio Media Management Limited*	United Kingdom	100
Global Radio Midlands Limited*	United Kingdom	100
Global Radio Publishing Limited*	United Kingdom	100
Global Radio Services Limited	United Kingdom	100
Global Radio UK Limited	United Kingdom	100
GM Radio News (UK) Limited	United Kingdom	55
GMG Radio Limited	United Kingdom	100
Greater Manchester Broadcasting Company Limited	United Kingdom	100
GWR (Local Area) Limited	United Kingdom	100
GWR (Trustee Company) Limited	United Kingdom	100
GWR (West) Limited*	United Kingdom	100
GWR East Holdings Limited*	United Kingdom	100
GWR Group Limited	United Kingdom	100
GWR Hungary (Investments) Limited	United Kingdom	100
GWR International Investments Limited	United Kingdom	100
GWR International Limited	United Kingdom	100
GWR New Zealand Licences Limited	New Zealand	100
GWR New Zealand Limited	New Zealand	100
GWR Radio (South East) Limited*	United Kingdom	100
GWR Radio Limited	United Kingdom	100
Harlow FM Limited	United Kingdom	100
Healthbuild Limited	United Kingdom	100
Heart 106 FM Limited	United Kingdom	100
We the Unicorns Limited*	United Kingdom	100

*Exemption from Audit by Parent Guarantee - Entity's debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006

This is Global Limited

Notes to the Company Financial Statements (continued)

33 Investments (continued)

The Company's subsidiaries, including subsidiaries held by in direct holding companies, are

Name	Country	% Ownership
Heart Radio Limited	United Kingdom	100
Heart TV Limited	United Kingdom	100
Hereward Radio Limited	United Kingdom	100
Hit 40 UK Limited	United Kingdom	100
Hopstar Limited*	United Kingdom	100
Independent Radio News Limited	United Kingdom	55
Investors in Radio Limited	United Kingdom	100
Invicta Concerts and Promotions Limited	United Kingdom	100
Irish Radio Limited	United Kingdom	100
Jams of London Limited	United Kingdom	100
Juice Holdco Limited*	United Kingdom	100
Lantern Radio Limited	United Kingdom	99
LBC 1152 Limited	United Kingdom	100
LBC Radio Limited*	United Kingdom	100
Leicester Sound Limited*	United Kingdom	100
Livetime Limited	United Kingdom	100
London Broadcasting Company 1996 Limited	United Kingdom	100
Love FM Limited	United Kingdom	100
Marcher Radio Limited*	United Kingdom	100
Mid Anglia Radio Limited*	United Kingdom	100
Mwah Mwah Limited	United Kingdom	100
MXR Holdings Limited	United Kingdom	88
MXR Limited	United Kingdom	88
My Kinda Bath Limited	United Kingdom	100
My Kinda Bones Limited	United Kingdom	100
My Kinda Shacks Limited	United Kingdom	100
My Kinda Square Limited	United Kingdom	100
Neal Street Blues Limited	United Kingdom	100
Newsradio.com Limited	United Kingdom	100
North East News Limited	United Kingdom	100
North East Radio Limited	United Kingdom	100
North West News Limited	United Kingdom	100
Now Digital (North Wales, Wirral and Cheshire) Limited	United Kingdom	100
Ocean FM Limited	United Kingdom	100
Opus Radio Sales Limited	United Kingdom	100
Orchard FM Limited*	United Kingdom	100
Orchard Media Limited	United Kingdom	100
Oval (709) Limited	United Kingdom	100
Plymouth Sound Limited*	United Kingdom	100
Power FM Limited	United Kingdom	100
Prock Licence (NTRSL) Limited	United Kingdom	100
Radio Breeze AM Limited	United Kingdom	100
Radio Broadland Limited*	United Kingdom	100
Radio Invicta Limited*	United Kingdom	100
Radio Mercury Limited*	United Kingdom	100
Radio Orwell Limited	United Kingdom	100
Radio Runner Limited	United Kingdom	100
Radio South Limited	United Kingdom	100
Radio Trent Limited*	United Kingdom	100
RAM FM Limited	United Kingdom	100

*Exemption from Audit by Parent Guarantee - Entity's debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006

This is Global Limited

Notes to the Company Financial Statements (continued)

33 Investments (continued)

The Company's subsidiaries, including subsidiaries held by in direct holding companies, are

Name	Country	% Ownership
Real and Smooth Limited*	United Kingdom	100
Real Radio (North East) Limited*	United Kingdom	100
Real Radio (North West) Limited*	United Kingdom	100
Real Radio (Scotland) Limited*	United Kingdom	100
Real Radio Limited*	United Kingdom	100
Riviera Radio Limited	United Kingdom	100
Rock Radio Limited	United Kingdom	100
Saxon Radio Limited	United Kingdom	100
Scott Place 1002 Limited	United Kingdom	100
Scott Place 1003 Limited	United Kingdom	100
Scott Place 1004 Limited	United Kingdom	100
Smooth Digital Radio Limited	United Kingdom	100
Smooth Radio Investments Limited*	United Kingdom	100
Smooth Radio London Limited*	United Kingdom	100
Smooth Radio Scotland Limited*	United Kingdom	100
Smooth Radio West Midlands Limited*	United Kingdom	100
South Hams Radio Limited	United Kingdom	63.5
Southern Radio Group Limited*	United Kingdom	100
Southern Radio Limited*	United Kingdom	100
Storm (GWR) Limited	United Kingdom	100
Storm Broadcasting Limited	United Kingdom	100
Suffolk Group Radio Limited*	United Kingdom	100
Taiinside Limited*	United Kingdom	100
Thames Valley Broadcasting Group Limited	United Kingdom	100
Thames Valley Broadcasting Limited*	United Kingdom	100
Thamesquote Limited*	United Kingdom	100
The Arrow (Liverpool) Limited	United Kingdom	100
The Arrow (Manchester) Limited	United Kingdom	100
The Digital Radio Group (Investments) Limited*	United Kingdom	100
The Digital Radio Group (West Midlands) Limited	United Kingdom	100
The Digital Radio Group Limited*	United Kingdom	100
The Milton Keynes Broadcasting Company Limited	United Kingdom	100
The Northamptonshire Broadcasting Company Limited	United Kingdom	100
The Storm (Digital Radio) Limited	United Kingdom	100
TS Holdings Limited	United Kingdom	100
Two Counties Radio Limited*	United Kingdom	100
Vibe FM Limited	United Kingdom	100
Warrington Runcorn Broadcasting Company Limited	United Kingdom	100
Welovelocal.com Limited*	United Kingdom	100
West and South Yorkshire Radio Limited	United Kingdom	100
West Country Broadcasting Limited	United Kingdom	100
West Midlands Radio Limited	United Kingdom	100
Westward Radio Limited	United Kingdom	100
Westward Television Limited	United Kingdom	100
Wiltshire Radio Limited*	United Kingdom	100
World Television Productions Limited	United Kingdom	100
Xfm Limited*	United Kingdom	100
Xfm Manchester Limited*	United Kingdom	100
PopBuzz Limited*	United Kingdom	100

*Exemption from Audit by Parent Guarantee - Entity's debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006

This is Global Limited

Notes to the Company Financial Statements (continued)

34 Debtors

	31 March 2016	31 March 2015
	£'000	£'000
Loans to subsidiaries	367,313	255,420
Amounts owed by group undertakings	5,537	113,490
Deferred tax asset	4,663	4,390
	<u>377,513</u>	<u>373,300</u>

35 Creditors: amounts falling due within one year

	31 March 2016	31 March 2015
	£'000	£'000
Bank loans and overdrafts	25,000	25,000
Accrued interest	17,184	15,159
Amounts owed to group undertakings	3,885	164
	<u>46,079</u>	<u>40,323</u>

36 Creditors: amounts falling due after more than one year

	31 March 2016	31 March 2015
	£'000	£'000
Bank loans	142,735	195,680
Other loans	678,137	635,369
	<u>820,872</u>	<u>831,049</u>

37 Share capital

	31 March 2016 £	31 March 2015 £
<i>Issued, called up and fully paid</i>		
Ordinary shares of £1	<u>49,166,981</u>	<u>1</u>
	<u>49,166,981</u>	<u>1</u>

During the year £49,166,980 of loans were converted to 49,166,980 ordinary £1 shares which were issued, called up and fully paid

38 Related party transactions

As disclosed in note 23 and in accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group. The Company has not completed any related party transactions with any other entities or parties

This is Global Limited

Notes to the Company Financial Statements (continued)

39. First adoption of FRS 100 and FRS 101

These financial statements, for the year ended 31 March 2016, are the first the Company has prepared in accordance with FRS 101. For periods up to and including the year ended 31 March 2015, the Company prepared its financial statements in accordance with UK GAAP.

The date of transition to FRS 101 was 1 April 2014 (the "transition date").

The accounting policies described in note 31 were applied when preparing the opening FRS 101 Balance Sheet at the transition date and the Statement of Profit and Loss, Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity from the transition date to 31 March 2016.

This note explains the principal adjustments made by the Company in restating its UK GAAP financial results to FRS 101 as at 1 April 2014 and 31 March 2015 and for the year ended 31 March 2015.

This note explains the principal adjustments made by the Company in restating its UK GAAP Balance Sheet as at 1 April 2014 and 31 March 2015, UK GAAP Profit and Loss Account and Statement of Recognised Gains and Losses (to FRS 101 Statement of Other Comprehensive Income) for the year ended 31 March 2015.

In preparing its opening FRS 101 Balance Sheet and adjusting amounts reported previously in accordance with UK GAAP the Company has applied IFRS 1 which contains a number of voluntary exemptions and mandatory exceptions from the requirement to apply IFRS retrospectively.

Exceptions and Exemptions used during transition to IFRS

The Company has applied the mandatory exception required by IFRS 1 in the conversion from UK GAAP to FRS 101 which requires that hindsight is not used to create or revise estimates. The estimates previously made by the Company under UK GAAP were not revised for the application of FRS 101 except where necessary to reflect any difference in accounting policies.

Adjustments Made in Connection with transition to FRS 101

The most significant impacts of the adoption of IFRS on the Group's previously reported financial information are as follows:

- Under FRS 101 loans are valued at fair value on initial recognition, under UK GAAP loans were valued at nominal value.
- Under FRS 101 loans to subsidiaries are classified as creditors, under UK GAAP they were classified as an investment.
- Under FRS 101 loan transaction costs are netted off the loan which they relate to, under UK GAAP they were recognised as a debtor.

The following tables give the reconciliations of:

- UK GAAP Balance Sheet to FRS 101 Balance Sheet at 1 April 2014
- UK GAAP Balance Sheet to FRS 101 Balance Sheet at 31 March 2015
- UK GAAP Profit and Loss Account to FRS 101 Profit and Loss accounting for the year ended 31 March 2015
- UK GAAP Statement of Total Recognised Gains and Losses to FRS 101 Statement of Other Comprehensive Income for the year ended 31 March 2015

This is Global Limited

Notes to the Company Financial Statements (continued)

39 First adoption of FRS 100 and FRS 101 (continued)

Reconciliation of the Company Balance Sheet at 1 April 2014				
UK GAAP	Reclassification of loans to subsidiaries to borrowings ^(a)	Borrowings ^(a)	Loan transaction costs ^(a)	FRS 101
£'000	£'000	£'000	£'000	£'000
Fixed assets				
Investments	348,380	(255,420)	-	90,940
	348,380	(255,420)	-	90,940
Current assets				
Cash	-	-	-	-
Debtors	89,573	255,420	31	344,256
	89,573	255,420	31	344,256
Creditors, amounts falling due within one year	(42,181)	-	-	(42,181)
Net current assets	47,412	255,420	31	302,065
Total assets less current liabilities	395,772	-	31	395,036
Creditors, amounts falling due after more than one year	(762,297)	-	789	(768,120)
Net liabilities	(366,525)	-	(6,580)	(375,085)
Equity				
Share capital	-	-	-	-
Retained deficit	(366,525)	-	(6,580)	(375,085)

Reconciliation of the Company Balance Sheet at 31 March 2015				
UK GAAP	Reclassification of loans to subsidiaries to borrowings ^(a)	Borrowings ^(a)	Loan transaction costs ^(a)	FRS 101
£'000	£'000	£'000	£'000	£'000
Fixed assets				
Investments	347,000	(255,420)	-	92,440
	347,000	(255,420)	-	92,440
Current assets				
Debtors	114,966	255,420	4,390	373,300
Cash	9	-	-	9
	114,975	255,420	4,390	373,300
Creditors, amounts falling due within one year	(40,323)	-	-	(40,323)
Net current assets	74,652	255,420	4,390	332,068
Total assets less current liabilities	422,512	-	4,390	425,428
Creditors, amounts falling due after more than one year	(804,119)	-	1,476	(801,049)
Net liabilities	(381,607)	-	(24,016)	(405,623)
Equity				
Share capital	-	-	-	-
Retained deficit	(381,607)	-	(24,016)	(405,623)

Profit and loss account for year ended 31 March 2015				
UK GAAP	Reclassification of loans to subsidiaries to borrowings ^(a)	Borrowings ^(a)	Loan transaction costs ^(a)	FRS 101
£'000	£'000	£'000	£'000	£'000
Turnover	-	-	-	-
Operating charges	-	-	-	-
Operating loss	-	-	-	-
Dividends received	26,725	-	-	26,725
Finance income	20,488	-	-	20,488
Finance expense	(89,851)	-	(21,814)	(91,785)
Loss on ordinary activities before taxation	(22,728)	-	(21,814)	(44,542)
Tax on loss on ordinary activities	9,648	-	4,369	14,015
Loss for the financial year	(13,082)	-	(17,445)	(30,527)

This is Global Limited

Notes to the Company Financial Statements (continued)

39. First adoption of FRS 100 and FRS 101 (continued)

Reconciliation of the Company statement of comprehensive income for the year ended 31 March 2015				
	UK GAAP	Reclassification of loans to subsidiaries to borrowings ^(a)	Borrowings ^(b)	Loan transaction costs ^(c)
			£'000	FRS 101
				£'000
Loss for the financial year	(13,082)		(17,445)	(30,527)
Items that may be reclassified to profit or loss				
Other comprehensive income	-	-	-	-
Increase in pension surplus not recognised	-	-	-	-
Other comprehensive loss for the year, net of tax	(13,082)	-	(17,445)	(30,527)
Total comprehensive loss for the year	(13,082)	-	(17,445)	(30,527)

^(a) *Reclassification of loans to subsidiaries to borrowings* – Under UK GAAP loans to subsidiaries were recorded as an investment. Under FRS 101 loans due from subsidiaries are recorded as a debtor

^(b) *Borrowings* – Under UK GAAP borrowings were valued at the nominal value of the loan and then at amortised cost. Under FRS 101 borrowings are initially valued at the fair value of the loan and then amortised cost

^(c) *Loan transaction costs* – Under UK GAAP loan transaction costs are recorded as a debtor and then amortised over the period of the loan. Under FRS 101 the loan transaction costs are netted off the value of the loan and then amortised over the period of the loan