

Company statement of financial position

As at 31 December 2022

	Notes	2022 £m	2021 £m
Assets			
Non-current assets			
Investments	3	24.5	19.9
Other receivables	4	-	19.3
		24.5	39.2
Current assets			
Other receivables	4	2.8	0.3
Cash and cash equivalents		65.3	27.2
		68.1	27.5
Total assets			
		92.6	66.7
Creditors: amounts falling due within one year	5	(16.7)	(1.4)
Net assets			
		75.9	65.3
Capital and reserves			
Called up share capital	6	0.2	0.2
Share premium account		18.0	14.9
Share option reserve		24.5	19.9
Profit and loss account		33.2	30.3
Shareholders' funds			
		75.9	65.3

As a consolidated statement of comprehensive income is published, a separate profit or loss account for Gamma Communications plc is omitted from the Group financial statements by virtue of section 408 of the Companies Act 2006. The profit in respect of the Company for the year was £16.2m (2021 loss: £4.3m).

The financial statements of Gamma Communications plc (registered number 08943488) on pages 131 to 134 were approved and authorised for issue by the Board of Directors on 20 March 2023 and were signed on its behalf by:

Bill Castell

Chief Financial Officer

The notes on pages 133 to 134 form part of these financial statements.

Company statement of changes in equity

For the year ended 31 December 2022

	Notes	Share capital £m	Share premium reserve ¹ £m	Share option reserve ¹ £m	Profit and loss account £m	Total equity £m
1 January 2021		0.2	9.0	15.6	46.3	71.1
Dividends paid	7	–	–	–	(11.7)	(11.7)
Share-based payments		–	–	4.3	–	4.3
Issue of shares		–	5.9	–	–	5.9
Transaction with owners		–	5.9	4.3	(11.7)	(1.5)
Loss for the year		–	–	–	(4.3)	(4.3)
Total comprehensive expense		–	–	–	(4.3)	(4.3)
31 December 2021		0.2	14.9	19.9	30.3	65.3
1 January 2022		0.2	14.9	19.9	30.3	65.3
Dividends paid	7	–	–	–	(13.3)	(13.3)
Share-based payments		–	–	4.6	–	4.6
Issue of shares		–	3.1	–	–	3.1
Transaction with owners		–	3.1	4.6	(13.3)	(5.6)
Profit for the year		–	–	–	16.2	16.2
Total comprehensive income		–	–	–	16.2	16.2
31 December 2022		0.2	18.0	24.5	33.2	75.9

¹ These reserves are not distributable.

The notes on pages 131 to 134 form part of these financial statements.

Notes to the Company financial statements

For the year ended 31 December 2022

1. Accounting policies

General information

Gamma Communications plc ("the Company") is a public company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF. The principal activity of the Company is to act as a holding company for Group subsidiaries and includes the day-to-day running costs of the plc.

Basis of preparation

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS101).

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Pounds Sterling and unless otherwise stated, have been rounded to the nearest 0.1 million (£m).

The financial statements are prepared on the going concern basis as set out in note 1 of the consolidated financial statements of the Group.

The Directors have taken advantage of the exemption available under section 408 of the Companies Act 2006 and not presented the income statement or a statement of comprehensive income for the Company alone. The loss in respect of the Company for the year was £3.8m (2021: £4.3m).

Disclosure exemptions adopted

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:

- (a) certain disclosures regarding the Company's capital;
- (b) a statement of cash flows;
- (c) the effect of future accounting standards not yet adopted;
- (d) the disclosure of the remuneration of key management personnel;
- (e) disclosure of related party transactions with other wholly owned members of the Group headed by Gamma Communications plc;
- (f) disclosures in respect of financial instruments; and
- (g) disclosures in respect of IFRS 2 share-based payments.

Where required equivalent disclosures are given in the consolidated financial statements of the Group.

A summary of the Company's significant accounting policies is set out below.

Investments

Shares in Group undertakings are initially recorded at cost and subsequently adjusted for capital contributions related to share-based payments and any provisions for impairment.

The cost of acquisition is the amount of cash or cash equivalents paid and the fair value of other purchase consideration given by the acquirer, together with the expenses of the acquisition. Where the payment of consideration for an acquisition is to be made after the date of acquisition, reasonable estimates of the amounts expected to be paid are included in the cost of acquisition at their present values.

The cost of acquisition is adjusted when revised estimates are made, with consequential corresponding adjustments continuing to be made to the cost of the investment, and therefore goodwill, until the ultimate amount is known.

Financial assets

The Company does not have any financial assets which it would classify at fair value through profit or loss, available for sale or held to maturity. Therefore, all financial assets are classed as loans and receivables as defined below.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They comprise amounts due from Group undertakings, other receivables and cash and cash equivalents in the statement of financial position. Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Dividends and distributions relating to equity instruments are debited directly to equity.

2. Critical accounting judgements and estimates

Gamma Communications plc is a non-complex entity primarily holding intercompany debtors and creditors. As such there are no critical judgements or accounting estimates that represent a risk of material misstatement over the next 12 months.

3. Investments

	2022 £m	2021 £m
At 1 January	19.9	15.9
Transfer of ownership of subsidiary ¹	–	(0.2)
Capital contributions arising from share-based payments	4.6	4.2
At 31 December	24.5	19.9

¹ In December 2021 the ownership of Gamma Telecom Holdings Limited was transferred to another member within the Gamma Group.

Details of the subsidiaries held directly or indirectly by Gamma Communications plc are given in note 36 to the consolidated financial statements.

4. Other receivables

	2022 £m	2021 £m
Amounts due from Group undertakings	0.7	19.3
Prepayments	0.2	0.3
Current tax asset	1.9	–
	2.8	19.6

Amounts due from Group undertakings are payable on demand. The expected credit loss on amounts due from Group undertakings is £nil.

5. Creditors: amounts falling due within one year

	2022 £m	2021 £m
Amounts due to Group undertakings	14.9	–
Accruals	1.8	1.4
	16.7	1.4

6. Called up share capital

Details of the share capital and movement during the year are given in note 33 to the consolidated financial statements.

7. Dividends paid

Details of the dividends paid during the year are given in note 14 to the consolidated financial statements.

8. Contingent liabilities

The Company had no contingent liabilities at 31 December 2022 or 31 December 2021.

9. Capital commitments

The Company had no capital commitments at 31 December 2022 or 31 December 2021.

10. Related party transactions

The Company has taken advantage of the exemption available within FRS 101 Reduced Disclosure Framework not to disclose transactions with other members of the Group headed by the Company. See note 37 to the consolidated financial statements for details of the disclosed related party transactions.

11. Subsequent events

There have been no subsequent events that the Directors of the Company are aware of at the date of signing.