



## Annual Report 2019/20

  
**manx radio**  
the nation's station

GD 2020/0054

# ***Radio Manx Limited***

# ***Radio Manx Limited***

***Radio Manx Limited***

## ***Financial statements for the year ended 31 March 2020***

# ***Radio Manx Limited***

## ***Chairman's statement***

Public service media continues to show its worth, particularly in times of local or national need, as the Laxey flooding and Covid-19 pandemics have shown. During the Laxey floods, we were able to keep local residents up to speed with the very latest news and advice from the authorities, the police, the Met Office and so on. As the story evolved, we were able to offer residents in the area and the wider Manx population, the opportunity to question the decision makers about what had happened and what was being planned, via our then newly launched Mannin Line lunchtime interactive show.

As the reporting year approached its end, the Island was engulfed along with the rest of the world in the Covid-19 pandemic. From the outset, we changed our output to bring more updates and relevant information to the community.

We were the only media organisation on the Island to provide live, uninterrupted and free-to-air, radio coverage of the Government's Daily Media Briefings alongside all of the digital offerings (Facebook Live, YouTube, daily Podcast and live Daily Blog).

We also recognised early on, that there was a section of the community which does not source its information digitally. To ensure these people were not left out, we introduced a number of extra daily on-air updates, covering in detail what had been announced that day at the Government Media Briefing and explaining what that would mean to us as individuals, families and as a wider community.

The government subvention increased to £899,830 for the year which financed 40% of our expenditure. The turnover from continuing operations in 2019/20 of £1,315,463 was £208,817 below 2018/19 of £1,524,280. It is important to note that 2018/19 was an exceptional year being £389,599 (34%) above the previous year and considerably above the average of the five years prior to that. Operating expenses of £2,277,510 are £103,431, (4%) below the previous year. The resultant loss was £64,540.

The primary focus throughout the year has been our continued drive to increase levels of audience engagement across multiple platforms. Some people reason that the internet is the only future platform for all engagement, whereas in reality, the use of linear (FM, AM & DAB) & non-linear digital platforms are interdependent and if developed successfully alongside each other complement the experience for the audience and provide the widest possible levels of engagement.

We have been testing different ways of engaging audiences across these platforms during the year through audience feedback, competitions and engagement in debates and current affairs to varying degrees of success.

One key performance indicator of success is how long the audience stays listening to the radio station, the average listening hours, as this indicates the levels of satisfaction with the programming and output. Our listening hours at Manx Radio have shown a growth.

With this in mind, we decided to re-launch the on air sound of Manx Radio in October 2019 alongside a re-organisation behind the scenes to focus on delivering content to a modern audience, at a time that more suits their lifestyle choices and on platforms that suits the consumption of that entertainment or current affairs offering.

We now drive an Isle of Man News agenda across the day from the new vibrant and engaging Manx Radio Breakfast which serves up key headline news and features at a pace which can be followed by a working population busy readying themselves and their family for the day ahead. We continue the strands of the story and audience engagement through the morning into the Mannin Line which explores the issues in more detail with live guests, live audience interaction and debate utilising not just the traditional phone in, but also texts, social media and a 24-hour messaging facility.

Throughout the afternoon the shift changes to a more lifestyle feel for those who are working from home or parenting ahead of a "must listen to" opportunity of Update at 5:30pm which rounds up the Isle of Man's daily news agenda in an informative and authoritative manner, whilst losing none of the pace needed to keep the audience engaged.

# ***Radio Manx Limited***

The online offering has changed to reflect this new style, a drive to get news online in a timely manner with social media promotion has driven website engagement to record levels not matched by any other island provider. In an age where marketing companies, freelance operatives and unregulated media organisations utilise the internet to publish news which can be factually incorrect, not reflect balance and is unchallengeable due to the lack of regulation, we pride ourselves that across all Manx Radio platforms the audience can trust the news and content available and have the formal right to reply through the regulator if necessary to ensure those cherished values of the news being factual, balanced and unbiased.

Before and after this new and exciting re-launch of Manx Radio we have continued to showcase the widest possible range of programming to reflect our wonderful island as is expected from us including: The Manx Music Festival, The Parish Walk, the National Day celebrations and Tynwald open air ceremony from St Johns, Island at War, the National Service of Remembrance, the Royal Show and the Southern Show, live coverage from the Lorient InterCeltique Festival, and full coverage of the Southern 100 motorcycle races were amongst the highlights. We continued our recent drive to produce and/or facilitate new original content with further episodes of our satirical series IM1 and worked with local drama groups to produce more original radio drama. We also produced a number of one-off special programmes for Christmas, Easter, Tynwald Day, Remembrance Sunday and other cultural occasions. We also carried our usual extended TT fortnight coverage along with the Festival of Motorcycling.

We have continued to expand dramatically the use of the podcasting platform which is a fast growing medium for people to engage with content at a time of their choosing instead of regularly scheduled programming which they have to adapt their lifestyle to suit. The new schedule allowed us to publish a daily podcast of Update, the Isle of Man's first daily news podcast which has proved extremely popular. The platform has also allowed Manx Radio to act as a facilitator in freely offering its services to other organisations in the community to publish their podcasts such as the mental health charity Reach, the Manx Theatre Podcast, The Manx Wildlife Trust, The Southern 100, The Manx Music Festival etc.

Whilst this new schedule is bedding in with initial reactions seeming positive, it will take some time to truly reflect on the audience's reaction to this new format in an age where maintaining true Public Service Broadcasting is a challenge with many pretenders in the wings who don't offer half the variety of programming, services and content that Manx Radio does to reflect the unique breadth of island life. The Covid-19 pandemic saw a huge increase in interaction with Manx Radio from across the entire community, from all ages and backgrounds. The radio features proving especially valuable and reliable when the island's internet service was proving "patchy" due to the strain of home working illustrating the limits of internet connectivity. It is times like these in which the value of a community's public service broadcaster is realised by the audience whom it serves.

**William D Mummery, Chairman  
Radio Manx Limited**

5<sup>th</sup> August 2020

# ***Radio Manx Limited***

# **Radio Manx Limited**

## **Directors' Report for the year ended 31 March 2020**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2020, which are prepared in accordance with the provisions of the Isle of Man Companies Acts 1931 to 2004.

### **Principal activity**

The principal activity of the company is the operation of a public service broadcasting service and commercial radio station known as "Manx Radio" by virtue of a licence issued by the Communications Commission under the Broadcasting Act 1993.

### **Results and dividend**

The company made a loss for the financial year of £64,540 (2019: profit £17,301) which has been deducted from reserves (2019: transferred to reserves). The directors do not recommend the payment of a dividend (2019: £nil).

Covid – 19: On the 16<sup>th</sup> March 2020 the Lieutenant Governor of the Isle of Man declared a state of emergency and accordingly as the Islands public service broadcaster the company implemented changes to its programming and output to support the Government during this period. The state of emergency ended on 26<sup>th</sup> June 2020.

### **Directors**

The directors of the company holding office during the year and to date were:

C R Guard  
D S Leeming  
J N Marsom (Retired 03/07/2020)  
S P Roberts (Retired 31/07/2019)  
W D Mummery  
C P Eaton  
C Sully (Appointed 12/04/2019)  
N Bowker (Appointed 26/09/2019)

### **Audit committee**

The Audit Committee comprises non-executive directors, namely Mrs N Bowker (Chairman –taken over from Mrs S P Roberts), Mr C R Guard and Mr C P Eaton and meets not less than three times per year.

### **Auditors**

PricewaterhouseCoopers LLC, being eligible, has indicated its willingness to continue in office in accordance with Section 12(2) of the Isle of Man Companies Act 1982.

### **Secretary**

The secretaries holding office during the year and to date were:

C P Eaton (Resigned 12/4/2019)  
C Sully (Appointed 12/4/2019)

### **Registered office**

The company's registered office is P.O. Box 1368, Broadcasting House, Douglas, Isle of Man, IM99 1SW.

### **By order of the Board**

**C Sully**  
**Director**

**5<sup>th</sup> August 2020**

# ***Radio Manx Limited***

## ***Statement of Directors' responsibilities in respect of the annual report and the financial statements***

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Isle of Man law.

Company law requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") Section 1A.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; 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 proper 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 to enable them to ensure that the financial statements comply with the Isle of Man Companies Acts 1931 to 2004. 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.

By order of the board

**C Sully**  
**Company Secretary**

**5<sup>th</sup> August 2020**



# ***Radio Manx Limited***

## **Independent auditor's report to the member of Radio Manx Limited**

### **Report on the audit of the financial statements**

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#### **Our opinion**

In our opinion, Radio Manx Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year then ended in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A; and
  - have been properly prepared in accordance with the requirements of the Isle of Man Companies Acts 1931 to 2004.
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#### **What we have audited**

Radio Manx Limited's financial statements comprise:

- the balance sheet as at 31 March 2020;
  - the profit and loss account for the year then ended;
  - the notes to the financial statements, which include a summary of significant accounting policies.
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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### **Independence**

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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#### **Other information**

The other information comprises all of the information in the Financial Statements other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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#### **Responsibilities of the directors for the financial statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with United Kingdom Accounting Standards and Isle of Man law, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either

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intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

# ***Radio Manx Limited***

## **Independent auditor's report to the member of Radio Manx Limited (continued)**

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### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report, including the opinion, has been prepared for and only for the Company's member in accordance with Section 15 of the Isle of Man Companies Act 1982 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Report on other legal and regulatory requirements**

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### **Adequacy of accounting records and information and explanations received**

Under the Isle of Man Companies Acts 1931 to 2004 we are required to report to you by exception if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper books of account have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us;

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- the financial statements are not in agreement with the books of account and returns;  
and
- certain disclosures of directors' loans and remuneration specified by law have not  
been complied with.

We have no exceptions to report arising from this responsibility.

**PricewaterhouseCoopers LLC**  
**Chartered Accountants**  
**Douglas, Isle of Man**  
**5<sup>th</sup> August 2020**

# **Radio Manx Limited**

## **Profit and loss account for the year ended 31 March 2020**

	Note	2020 £	2019 £
<b>Turnover - continuing operations</b>	2	1,315,463	1,524,280
Public service subvention		899,830	875,000
		2,215,293	2,399,280
Operating expenses		(2,277,510)	(2,380,941)
Interest payable and similar charges	3	(2,323)	(1,038)
Interest receivable		-	-
<b>(Loss)/Profit on ordinary activities before taxation</b>	5	(64,540)	17,301
Taxation	6	-	-
<b>(Loss) / Profit for the financial year</b>	13	(64,540)	17,301

The notes on pages 9 to 17 form an integral part of these financial statements.

# Radio Manx Limited

## Balance sheet at 31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	7	1,515,041	1,548,358
Intangible assets	8	3	13,578
Assets under the course of construction	7	22,318	22,318
		1,537,362	1,584,254
<b>Current assets</b>			
Debtors and prepayments	9	291,801	282,604
Cash at bank and in hand		32,071	143,321
		323,872	425,925
<b>Creditors:</b> amounts falling due within one year	10	(334,669)	(529,544)
<b>Net current liabilities</b>		(10,797)	(103,619)
<b>Total assets less current liabilities</b>		1,526,565	1,480,635
<b>Creditors:</b> amounts falling due after more than one year			
11		(	
111,893)		(	
76,081)			
<b>Net assets</b>		1,414,672	1,404,554
<b>Capital and reserves</b>			
Called-up share capital	12	559,002	459,002
Share premium	13	297,000	297,000
Revaluation reserve	13	685,616	710,616
Profit and loss account	13	(563,333)	(498,793)
Capital contribution reserve	13	436,387	436,729
<b>Equity shareholder's funds</b>	13	1,414,672	1,404,554

The financial statements on pages 7 to 17 were approved and authorised for issue by the board of directors on 5<sup>th</sup> August 2020 and signed on its behalf by:

W D Mummery  
Director

C Sully  
Director

# **Radio Manx Limited**

## **Notes to the financial statements for the year ended 31 March 2020**

### **1 Statement of compliance**

The financial statements of Radio Manx Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland Section 1A (Small Entities)' ("FRS 102") and in accordance with the Isle of Man Companies Acts 1931 to 2004. The company is incorporated in the Isle of Man (001486C) and the address of the registered office is P.O. Box 1368, Broadcasting House, Douglas, Isle of Man, IM99 1SW.

### **2 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of land and buildings. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### **Going concern**

The financial statements are prepared on a going concern basis, having considered the level of government funding disclosed further in notes 4 and 15.

#### **Exemptions under FRS 102**

The company has taken advantage of the exemption under FRS 102 paragraph 7.1B from preparing a statement of cash flow on the basis that it is a small company.

#### **Turnover**

Sales comprise the value (exclusive of Value Added Tax) of invoiced advertising, production and studio hire charges, sponsored programmes, sales of merchandise and engineering projects.

#### **Tangible assets**

Interests in land and buildings are stated at valuation. Full valuations are made by independent professionally qualified valuers every five years, and in the intervening years the fair value is reviewed by the directors. The basis of valuation is explained in note 7. The cost of other tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible assets less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Computers and related equipment/software	10-50%
Motor vehicles	25%
Fixtures, fittings and plant	8-50%

# **Radio Manx Limited**

## **Notes to the financial statements for the year ended 31 March 2020** *(continued)*

### **2 Principal accounting policies** *(continued)*

Depreciation commences when the assets are ready to use. Costs incurred on assets that are not yet ready to use are included in assets under the course of construction until the asset is completed, when the costs are transferred to tangible assets.

It is the company's policy to maintain its freehold property in a state of good repair in order to prolong its useful life. The directors consider that the life of the freehold property and its residual value is such that the depreciation is not significant. Accordingly, no depreciation is provided on the freehold property.

#### **Intangible assets and amortisation**

The Company has capitalised internally generated intangible assets. The amounts capitalised include external costs incurred for software development, and have been initially recognised at cost.

After initial recognition, measurement will be determined using the cost model, the asset will be measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation will commence when the intangible asset is available for use, using the straight-line method.

The useful economic life of the asset is deemed to be 3 years. Review of this period and amortisation method will take place during the assets life.

#### **Finance leases**

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit or loss in proportion to the reducing capital element outstanding.

#### **Pension costs**

The employees of the company are members of the Isle of Man Government Unified Scheme. This scheme is administered by The Public Sector Pensions Authority. The assets and liabilities of the scheme are not held separately from other Isle of Man Government assets and liabilities. The contributions to the scheme are paid by the company in accordance with rates determined by the Isle of Man Government and are charged to profit and loss as incurred.

#### **Government grants**

The company receives an annual subvention from the Government which is included as income in the year on the accruals basis (see note 15).

#### **Deferred income**

Amounts received prior to the delivery of services are recorded as deferred income and released to the profit and loss account as the services are provided.

Amounts received from a government grant which relate to the capitalisation of an asset are recognised as deferred income and released to the profit and loss account on a systematic basis over the expected useful life of the asset.



# Radio Manx Limited

## Notes to the financial statements for the year ended 31 March 2020 (continued)

### 2 Principal accounting policies (continued)

#### Financial instruments

##### i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, and subsequently measured at amortised cost. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of ownership of the asset are transferred to another party or (iii) despite having retained some significant risk and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### ii) Financial liabilities

Basic financial liabilities, including trade creditors, other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, which is when the contractual obligation is discharged, cancelled or expires.

### 3 Interest payable and similar charges

	2020 £	2019 £
Other interest payable and bank charges	<b>2,323</b>	1,038

### 4 Critical accounting judgements and estimation uncertainty

The company makes estimates and assumptions that affect the amounts recognised in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

# **Radio Manx Limited**

## **Notes to the financial statements for the year ended 31 March 2020** *(continued)*

### **4 Critical accounting judgements and estimation uncertainty** *(continued)*

#### **a) Critical judgements in applying the entity's accounting policies**

##### **Going concern**

Management prepared these financial statements on a going concern basis. In making this judgement management considered the company's financial position, current budgets and forecasts and the level of government funding as set out in note 15.

#### **b) Critical accounting estimates**

##### **Provisions for bad debts**

Provisions are made up of debtors which are not deemed to be recoverable. Judgement is used by management to assess the recoverability, including the ageing profile of debtors and historical experience.

##### **Revaluation of land and buildings**

The revaluation of freehold land and buildings is an accounting estimate. The valuation is performed by professional surveyors and reviewed annually by the directors, taking into account current market conditions for such buildings.

##### **Useful life of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of each class of asset.

##### **Impairment of intangible assets**

The company considers whether intangible assets are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units ('CGUs'). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

# Radio Manx Limited

## Notes to the financial statements for the year ended 31 March 2020 (continued)

### 5 Loss/profit on ordinary activities before taxation

	2020	2019
	£	£
Loss/profit on ordinary activities before taxation is stated after charging:		
Depreciation and amortisation	156,131	125,972
Auditor's remuneration	10,050	9,800
Non-executive directors' remuneration*	29,425	30,080
Pension costs	124,110	127,044

\* The Chairman received remuneration of £9,709 (2019: £9,426). The other non-executive directors received £6,487 each pro-rata (2019: £6,299 each) and the chairman of the audit committee received an additional £1,781 pro rata (2019: £1,741). The Directors' remuneration and that of the Chairman were allocated on a pro-rata basis. The remuneration also attracted National Insurance contributions as appropriate.

The average number of employees during the year was 32 (2019 – 32)

### 6 Taxation

The Isle of Man Government announced a 0% rate of tax to apply from 6 April 2007. This rate is expected to remain in force for the foreseeable future.

# Radio Manx Limited

## Notes to the financial statements for the year ended 31 March 2020 (continued)

### 7 Tangible assets

	Freehold land & buildings £	Computers & related equipment £	Fixtures fittings & plant £	Motor vehicles £	Total £
<b>At 1 April 2019</b>					
Cost	1,175,000	111,757	1,144,751	85,340	2,516,848
Accumulated depreciation	-	(88,566)	(806,961)	(72,963)	(968,490)
<b>Net book value</b>	<b>1,175,000</b>	<b>23,191</b>	<b>337,790</b>	<b>12,377</b>	<b>1,548,358</b>
Opening net book value	1,175,000	23,191	337,790	12,377	1,548,358
Revaluation/additions	(25,000)	-	134,239	-	109,239
Charge for the year	-	(11,703)	(124,642)	(6,211)	(142,556)
<b>Closing net book value</b>	<b>1,150,000</b>	<b>11,488</b>	<b>347,387</b>	<b>6,166</b>	<b>1,515,041</b>
<b>At 31 March 2020</b>					
Cost	1,150,000	111,757	1,278,990	85,340	2,626,087
Accumulated depreciation	-	(100,269)	(931,603)	(79,174)	(1,111,046)
<b>Net book value</b>	<b>1,150,000</b>	<b>11,488</b>	<b>347,387</b>	<b>6,166</b>	<b>1,515,041</b>

Land and buildings were valued at £1,150,000 for the year ended 31 March 2020 on an existing use valuation basis. The valuation was undertaken by Black Grace Cowley, Chartered Surveyors, in accordance with the RICS Appraisal & Valuation Standards. The directors have concluded that there is a reduction in value of £25,000 required to the value of the land and buildings for the year ended 31 March 2020.

The company's freehold land and buildings are subject to a first legal charge in favour of Isle of Man Bank Limited.

Included in motor vehicles are assets with a net book value of £272 (2019: £2,080) that were held under a finance lease which matured on 2<sup>nd</sup> November 2019.

Assets under the course of construction (Broadcasting House Redevelopment) of £22,318 (2019: £22,318) consist of expenditure on fixtures, fittings and plant incurred during 2015/16 and 2016/17. The redevelopment is not yet completed and so capitalisation has been deferred until the assets are ready for use. The planning permission for the extension currently expires in September 2020. It is understood that there is a facility available to apply to extend the planning permission date and the Treasury Minister has confirmed that the budget elements in Pink Book can be rolled forward.

# Radio Manx Limited

## Notes to the financial statements for the year ended 31 March 2020 (continued)

### 8 Intangible assets

	£
<b>At 1 April 2019</b>	
Development cost	40,727
Accumulated amortisation	(27,149)
<b>Net book value</b>	<b>13,578</b>
Opening net book value	13,578
Charge for the year	(13,575)
<b>Closing net book value</b>	<b>3</b>
<b>At 31 March 2020</b>	
Cost	40,727
Accumulated amortisation	(40,724)
<b>Net book value</b>	<b>3</b>

### 9 Debtors

	2020 £	2019 £
Trade debtors	208,724	200,131
Other debtors and prepayments	83,077	82,473
	<b>291,801</b>	<b>282,604</b>

### 10 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	104,388	132,931
Other creditors and accruals	104,420	108,463
Deferred income	125,861	86,273
Subvention in advance	-	200,000
Finance leases	-	1,877
	<b>334,669</b>	<b>529,544</b>

A portion of the subvention for 31 March 2019 was received before the end of the year and reported in subvention in advance shown above. No subvention was received in advance in the current year.

# Radio Manx Limited

## Notes to the financial statements for the year ended 31 March 2020 (continued)

### 11 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Deferred income – Minor Capital Works	111,893	76,081
	111,893	76,081
Finance lease arrangements are repayable as follows:		
In one year or less	-	1,877
	-	1,877

### 12 Called-up share capital

	2020 £	2019 £
<b>Authorised</b>		
ordinary shares at £1 each	560,000	460,000
<b>Allotted, called up and fully paid</b>		
ordinary shares at £1 each	559,002	459,002

On 1 November 2019 a further 100,000 ordinary shares were issued to the shareholder at £1 per share resulting in £100,000 being injected into the business.

### 13

#### Reserves

	Capital contribution reserve £	Share premium £	Profit and loss account £	Revaluation reserve £
At 31 March 2018	436,729	297,000	(516,094)	710,616
Profit for the year	-	-	17,301	-
<b>At 31 March 2019</b>	<b>436,729</b>	<b>297,000</b>	<b>(498,793)</b>	<b>710,616</b>
At 31 March 2019	436,729	297,000	(498,793)	710,616
Revaluation in the year	-	-	-	(25,000)
Capital contributed in the year	(342)	-	-	-
Loss for the year	-	-	(64,540)	-
<b>At 31 March 2020</b>	<b>436,387</b>	<b>297,000</b>	<b>(563,333)</b>	<b>685,616</b>

# **Radio Manx Limited**

## **Notes to the financial statements for the year ended 31 March 2020** (continued)

### **14 Controlling party**

The Department of the Treasury of the Isle of Man Government is the ultimate controlling party.

### **15 Annual subvention**

The company receives a public service subsidy for public service broadcasting termed “annual subvention”. Following approval by the Tynwald Select Committee in October 2019 the amount received from the Isle of Man Government for the year ending 31 March 2021 for the Public Service Broadcasting increased to £995,000 (2020: £899,830). Pending the transfer of the Manx Radio AM and FM Transmission Networks from Department of Home Affairs the associated transfer of an operating budget of £83,722 in 2021 (2020: £80,000), £150,000 for minor capital works (2020: £150,000) as stated in the Pink Book On 21<sup>st</sup> July 2020 the Isle of Man Government Budget Update approved additional support due to the COVID 19 pandemic of £200,000 for 2021 (2020: Nil). The total level of funding for the year ending 31 March 2021 including the annual subvention is £1,428,722 (2020: £1,129,830). The 2014 Select Committee into the future of Public Service Broadcasting confirmed that; “Tynwald is of the opinion that the Treasury should fund Manx Radio to the level of £850,000 which applies in 2014-15; and that any future public service broadcasting funding should be subject to periodical reviews based on reports to Tynwald and with Tynwald’s consent’.

Treasury previously confirmed that to ensure it remained consistent with this principle, the level of subvention would be agreed as part of the overall Government Budget approved by Tynwald each year. The Government Budget for 2020/21 which was approved by Tynwald in February 2020 confirmed the level of funding for the company for 2020-21 and provided provisional projections for the following two years to 2021-22, subject to annual approval by Tynwald vote.

### **16 Related parties**

An amount of £149,965 (2019: £149,983) in respect of minor capital works has been paid by the Isle of Man Government. The cumulative balance is currently held as deferred income within note 10/11 and released to the profit and loss account on a systematic basis over the expected useful life of the asset.

### **17 Post Balance Sheet Events**

The COVID-19 pandemic struck the Isle of Man in late March 2020 and in early June the Board of Directors of Radio Manx Limited, by invitation from the shareholder, submitted an assessment of the business risks and associated potential loss of commercial revenues with a view to obtaining additional subvention support for the year ending 31 March 2021. This additional support, amounting to a further £200,000 was confirmed in the Isle of Man Government Budget Update issued on 21<sup>st</sup> July 2020. The Board of Directors consider this amount will ensure the company can continue to fulfil its obligations as the public service broadcaster for the foreseeable future and provide these financial statements on a going concern basis





**radio manx ltd**

**annual report to tynwald**

**for the year ended 31 march 2019**

**from the directors of manx radio**

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## 1. managing director's report

Another busy year for the Nation's Station both on-air and off. As you will read elsewhere in this report, we made some substantial changes to programming in October 2019, aimed at strengthening our service to the community, delivering output in a way which better reflects our audience's lives. The initial response in terms of engagement and listenership was promising, but Covid-19 restrictions mean that there has been no meaningful, independent research into listening habits on the Island or anywhere in the British Isles since late February 2020.

Again, as you will read elsewhere in this report, our online reach has continued to improve via social media and our website at [www.manxradio.com](http://www.manxradio.com). Podcast listening hours continue to grow as we increase the variety of choice offered, subjects covered and Podcast numbers. We've continued to work alongside a number of community groups to offer our facilities and training as well as the Manx Radio online platform to facilitate this. Others were in the planning stage when the Covid-19 crisis saw them postponed until a future date. The vast majority of these Podcasts feed material and content into the linear (FM & AM) offerings of Manx Radio, both via news and programming. This enables a far wider potential audience to become aware of their presence and engage with them.

As mentioned in last year's report, in common with other media outlets across the globe, we are monitoring our online success and growth more closely and you'll see some of this information elsewhere in this report.

Our proposed DAB trial last year was postponed due to issues beyond our control, but we continue to work with the Communications Commission to trial a small-scale DAB (Digital Radio) service, initially for the Douglas area, in order to see if is feasible going forward. In my last role with BFBS, and through my involvement with Radio Caroline, I've been involved in a number of the Ofcom small-scale DAB trials across the UK which has proved very popular with listeners. DAB radios are relatively cheap to buy (indeed, finding a traditional radio which doesn't offer DAB is becoming increasingly difficult), and with nearly all new cars sold in the British Isles now being fitted with DAB as standard, this is only going to increase.

Sometime people ask if there's still a place for live radio stations at all, in a world where everything appears, at first sight, to be going online. However, in 2020, live radio accounts for 14% of the total media day and 78% of all audio consumption (inc Spotify etc). (Source: IPA Touchpoints)

Getting the station back out and integrated into the community remains a priority, with Mannin Line broadcasting live and engaging with the students at all of the Island's senior schools before Covid-19 temporarily halted all such outside broadcasts. 'Late Lunch' and 'The Saturday Social' were amongst other shows to get out and about too. Plans for our audience engagement meetings were progressing when Covid-19 put them on hold.

As the Covid-19 crisis gripped the world, the Isle of Man was not immune to its effects. During March, our programming changed significantly with the daily Government Media Briefings carried live on-air and online as well as via live video streaming from the Manx Radio digital pages. Our technology team were quick to react and help Government Comms to provide dedicated audio feeds to all of the Island's media suppliers. We were the only radio station on the Island to carry the Briefings live on-air.



We also quickly introduced opportunities across our output to provide extra, in depth information for that part of the audience which doesn't use online methods to get its news and information. It is all too easy to assume that saying "there's more info online at www....", covers everyone, but that is obviously not always the case. Our twice-daily 'Covid-19 Updates' gave the important information and news at a slower pace and we also introduced a live guest each evening in the 7pm update, ranging from Healthcare experts to the emergency service teams keeping us safe, from Ministers to members of the public sharing information and advice on how they were coping with the 'lock down'.

There was also advice on coping mechanisms from various Island charities and groups along with acclaimed hypnotherapist Paul McKenna, offering advice on how to cope with the extra stress due to Covid-19 and how to help with sleep patterns and working from home.

Paul wasn't the only celebrity to join us at Manx Radio as we were able to get a personal message for an Island fundraising superstar. TV comedian and host David Walliams was only too pleased to help the Nation's Station with a message for Chloe Rollitt whose exploits raising tens of thousands of pounds for charity we'd been covering over the months.

One of our team noticed a sign wishing an Onchan man a "Happy 95<sup>th</sup> Birthday" attached to his front door whilst she was out for a walk. After a (socially distanced) chat, she advised him to listen to Manx Radio that evening. We mentioned 95-year-old Jack Horne on-air and invited listeners to send him a birthday message via the Manx Radio Facebook page. We expected a couple of dozen from his friends across the Island. We received over 1600 from all over the world! Jack was delighted when we were able to deliver a printed version of the messages a few days later.



And, it's the team here at Manx Radio along with the fantastic community here on the Island which make it such a special place to be, especially through challenging times like the Covid-19 situation.

**Chris Sully**  
**August 2020**



**statement of programme policy**

The Manx Radio FM schedule from 1<sup>st</sup> April 2019 was as follows:

TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME	
00	SUNDOWN	LATE SHOW						SAT NIGHT LIVE	00
01								01	
02								02	
03	NIGHTRAX							03	
04								04	
05								05	
06	BREAKFAST SHOW					SATURDAY BREAKFAST CLUB	DAYBREAK	06	
07	MANDATE						PRAISE	07	
08	BREAKFAST SHOW					CARNABY STREET	DAYBREAK	08	
09	MORNING SHOW						COUNTRYSIDE REPEAT	09	
10							TALKING HEADS (inc. MANDATE AT 1 - 1.00 - 1.15)		
11	BETH & CHRISTY - WOMEN TODAY / CONISTER ROCKS					SUNDAY OPINION			
12						AFTERNOON SHOW			
13	MANDATE AT 5 -NEWS, BUSINESS, SPORT, TRAVEL AND HEADLINES								
14						AGENDA			
15	COUNTRYSIDE / BUILDINGS								
16						SPOTLIGHT			
17	SHAIGHT LAA / PERSPECTIVE								
18						GREATEST HITS			
19	TRIPLE GOLD								
20						TIME FOR BRASS			
21	THE FOLK SHOW								
22						THE OPERA HOUR			
23	LITTLE LIGHT MUSIC								
						JUMPIN' IN JAZZ / SWEET 'N' SWING			
	LATE SHOW								
TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME	

NEWS, C/A, TOPICAL SPEECH	COMMUNITY & EVENTS	SPECIALIST PSB MANX, ARTS, CULTURE & MUSIC	SPORT
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The schedule also included 136 News Bulletins per week.

The above schedule provides a categorised speech output to meet the levels required by licence as follows:

- News, Current Affairs, Tynwald\*and Weather



- Sport and TT\*
- Community and Events Programming\*\*
- Specialist PSB including Religion

\* Although Tynwald and the TT are primarily broadcast on our Alternative AM Network, considerable content is re-versioned for use on the FM network.

\*\* Also includes Traffic, Travel, Road Watch, What's On, Event promotion, Obituaries, Charity interviews, General interviews, Competitions, and Presenter links.

The broadcast licence requirement for the on air schedule is increasingly augmented with specialist public service broadcasting on digital non-linear platforms and in a traditional broadcast environment outside of weekdays at weekends. Additionally, the network provides event coverage to serve the population with a creditable, local service that increases the speech content significantly in various weeks.

### **alternative** programming

Manx Radio further augments its standard public service broadcasting schedule through the provision of alternative programming to listeners via its AM network including:

- Tynwald broadcasts, House of Keys Question Time & additional debates of national importance
- TT and Festival of Motorcycling
- Southern 100
- Manx Gaelic language programming

Radio Caroline monthly broadcastsNB. The speech content broadcast on AM is in addition to the minimum quota required by licence.

### **digital** programming

Manx Radio's digital offering, via manxradio.com and its smartphone apps, provides an increasingly attractive route for the audience to engage with multi-platform content through the mediums of video, podcasting, text, audio and still images.

We continue to increase the range and number of podcasts showcasing selected programmes and exclusive content which is permanently available and distributed via manxradio.com, iTunes, Google Podcasts, Spotify and Radioplayer. This complements our 'On Demand' service which highlights programmes from the previous seven days. These digital offerings can be consumed at a time to suit the audiences schedule and in a country of their choice. Over the year we have offered our hosting, podcasting platform and studio facilities and staff training to local content producers to offer them the chance to produce more local content to a high standard and make it available to digital, non linear audiences with more than half a dozen producers or organisations utilising this support of the Nation's Station for their community content production.

We have continued to further utilise the studio camera facilities which are branded as Manx Radio Vision. Video is a key additional platform for any public service media organisation and further supports the station's traditional linear output via the Manx Radio YouTube Channel, social media and 'The Portal' – a video sharing platform available on manxradio.com and via the smartphone apps.



The station's social media presence on Facebook, Twitter and Instagram is a primary means of two-way contact for a growing number of users and the station is committed to further development of these channels, whilst further exploration of other emerging platforms will be explored dependant on staff resources to maintain the wide range of output required to service what in essence is about half a dozen different platforms for content delivery to audiences.

### **speech** assessment

The speech content assessment is calculated by Manx Radio and is a manual assessment carried out at each change of programme schedule and on one annual 'sample' day. It is derived from the programme log (an audio recording of the day's output) and excludes any additional programming transmitted on our alternative services.

### **new schedule** october 2019

By 2019, Manx Radio hadn't substantially changed its style of output and on air schedule in nearly 20 years. The 'kids' of that time, disenfranchised from Manx Radio following the forced closure of KIKfm, are now middle aged workers with families, responsibilities, and interests in community and culture. They have a firm grasp on multi-platform technology and media, and a very different expectation of how they want information, education and entertainment delivered by a public service media provider. What became clear through a number of internal meetings, market research and audience surveys was the view that Manx Radio was losing focus on our basic purpose of serving the audience with relevant and engaging content. However, following a detailed examination of our entire output from the method of delivery, audience attention span and expectations, along with the relationship between traditional platforms and the increasing demand for new digital platforms, we launched a new schedule in October 2019. This new schedule, with renewed vigour towards re-energising the station's sound, makes us accessible to a wider age range, attracting new listeners and welcoming back some who may have strayed.

A large amount of work was done in implementing a new music policy for the whole station aimed at the core market whilst still ensuring that more local, specialist and relevant niche music tastes were catered for, as expected from a public service media provider, and not provided elsewhere on island. We will continue to tweak the schedule to allow it to evolve as time progresses.

As with all changes to schedules it will take time to reflect on the effects of the changes to audience levels but initial figures from RAJAR over the first six months has been very positive in terms of attracting new and retaining audiences in key areas and demographics.



A breakdown of the new schedule effective from 4<sup>th</sup> October 2019 is below:

TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME	
00	SUNDOWN	LATE SHOW					SAT NIGHT LIVE		00
01								01	
02								02	
03	NIGHTRAX							03	
04								04	
05	THE CHRIS WILLIAMS EARLY BREAKFAST SHOW - 5AM - 07:30AM							05	
06						SATURDAY BREAKFAST GEORGE FERGUSON 6am - 08:30am	DAYBREAK GEORGE FERGUSON 6am - 9:30AM	06	
07	MANX RADIO BREAKFAST - BEN HARTLEY, BETH ESPEY / SIAN COWPER: 07:30AM - 09:30AM NEWS, AUDIENCE REACTION, CURRENT AFFAIRS, MUSIC & ENTERTAINMENT							07	
08						CARNABY STREET CHRIS WILLIAMS 8:30am - 10:30am	AT YOUR SERVICE	08	
09	MORNING SHOW - MARC TYLEY: 09:30am - 12 noon							09	
10						SATURDAY SOCIAL SIMON & KIM GUINE	SUPERGOLD SUNDAY ANDY WINT 10am - 12 noon	10	
11	MANNIN LINE - ANDY WINT: 12 noon to 1pm PRODUCED BY HOWARD CAINE							11	
12	LATE LUNCH - CHRISTY & HOWARD: 1PM - 3PM GUESTS, TOPICS, MUSIC, COMMUNITY NEWS & ENTERTAINMENT					10:30am - 12:30pm		12	
13						SATURDAY LIVE PAUL MORAN 12:30pm - 4:30pm (including live IOM Sport)		13	
14	AFTERNOON SHOW - ALEX BRINDLEY & CHRISTY DEHAVEN - 3pm - 5:30pm ENTERTAINMENT, COMPETITIONS, GUESTS - CHRISTY DEHAVEN CONTRIBUTING from 4pm							14	
15	UPDATE - ANDY WINT / PRODUCED BY HOWARD CAINE - Also available as DAILY PODCAST					TRIPLE GOLD PAUL CORKISH 1pm - 4pm		15	
16	AGENDA	COUNTRYSIDE / BUILDINGS	SPOTLIGHT	SHAIGHT LAA / TMG	FRIDAY SPORT	SPORT continues on AM1368 -5pm - 6pm		16	
17	GREATEST HITS LIVE - CHRIS KINLEY: 4:30pm - 9pm					SATURDAY LIVE LOUNGE CHRISTY DEHAVEN 5pm - 7pm (FM 5-6)		GULL AS GACCAN SIMON CLARKE PHIL GAWNE 4pm - 6pm	17
18						SATURDAY NIGHT PARTY KERRY GASCOYNE 7pm - 9pm		CLAARE NY GAEL	18
19	TIME FOR BRASS	THE FOLK SHOW	THE OPERA HOUR	LITTLE LIGHT MUSIC	SWEET 'N' SWING	SATURDAY NIGHT PARTY KERRY GASCOYNE 7pm - 9pm		SUNDAY NIGHT CHILL OUT CHRIS PEARSON 7pm - 9pm	19
20	LATE SHOW - STU PETERS: 10pm - 1am							20	
21						SATURDAY NIGHT LIVE MIKE REYNOLDS 10pm - 1am		SUNDOWN JUDITH LEY 9pm - 1am	21
22	11pm - NEWS ROUNDUP - 5 mins							22	
23								23	
TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME	

NEWS, C/A, TOPICAL SPEECH AUDIENCE ENGAGEMENT	COMMUNITY & EVENTS	SPECIALIST PSB MANX, ARTS, CULTURE & MUSIC	SPORT
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The new schedule above includes an average of 150 News Bulletins per week (an increase from the 136 of the previous schedule).

**news, current affairs and weather**

One of the key aspects of a Public Service Media provider is, by definition, serving the public with a rich mix of high quality, relevant and engaging collection of content which reflects the Manx nation's culture, heritage, music and day to day back to itself across the multiple platforms which the public are choosing to engage with. We live in a time where the choice of platform and content delivery is driven by audience demand and no longer by the media provider.





Manx Radio's key USP is our commitment to an unrivalled, multiplatform approach to public service media production and delivery of trusted, fair, balanced and relevant, in-depth, informative news and current affairs content for the Isle of Man.

Our new on air schedule has very much re-invented the delivery of our news to engage the audience's attention by delivering the content in a more dynamic fashion on air. Our news now drives the audience to the longer form, more in-depth, detailed and 'fact-checked' article or interview online, ensuring that in the world of fake news, our multiplatform offering by design steers away from being sensationalist and instead focuses on accurately reflecting the issues and events that are important to the Manx public.

Each week we produce one hundred and twelve Isle of Man focussed bulletins for our radio service as follows:

- Monday to Friday, 18 each day                      90
- Saturday    11
- Sunday    11

In addition, we supplement these local bulletins with international bulletins from Sky News at off-peak times, resulting in the broadcast of 150 bulletins each week.

Our news provision is structured across the day to reflect the lifestyles of the island audience we serve, very much driving the news agenda and also intrinsically linking our programming strands of the new schedule. The new Manx Radio Breakfast programme highlights the big stories of the morning alongside community issues and events whilst encourage audience interaction and opinion. Those stories and others are then developed and further showcased in the Mannin Line which will feature live audience interaction, in-depth interviews and debate with news makers, politicians and organisations. The reaction from this programme will further drive the agenda throughout the afternoon before we present the "must listen to" roundup of Isle of Man news and current affairs that is 'Update' at 5:30pm. This is all intertwined with our website and smartphone app offerings which also work in harmony with our social media offerings too. Put together, the station has the largest consumption of trusted and in-depth Isle of Man news and current content of any organisation by far.

Since the implementation of the new schedule in October 2019, we have further utilised our news resource to provide the Isle of Man's only daily news and current affairs podcasting service which showcases Update and the Mannin Line as popular daily podcasts for an increasing number of audience members who chose to consume their content in a non linear manner at a time of their choosing.

The station is committed to continually modifying its digital strategy to provide content where it is most relevant to the audience to reflect changes in media consumption. This further cements our position as the Island's primary provider of trusted news to the Manx community.

This provision of news and current affairs relies heavily on trained and experienced journalists and producers who will take the time to properly research stories and conduct interviews to ensure accuracy and provide the public with the full story, not just a headline or a reflection of social media gossip and rumour which does not paint the full picture. Technology cannot perform these actions or reduce the time this takes, which is why as a public service media provider, Manx Radio is committed to this important role.



In autumn 2019 we conducted an island-wide, online survey asking the population 'What Matters Most' in order to better inform our editorial choices in terms of news and community coverage, but to also guide us in terms of programme making and holding Government to account in areas of importance through the eyes of people on the Isle of Man. The survey was well received and formed the basis for a series of live debate programmes and podcasts which addressed key issues that were at the forefront of the public's mind – Health & Social Care, Preservation & Heritage, The Environment and Care for the Elderly.

### **digital programming & podcasting**

Audience consumption of media has rapidly changed in recent times with digital demand in some areas far outweighing the demand for traditional on air transmissions and Public Service Media organisations like Manx Radio cannot simply rely on the strength of their unique content alone to engage audiences, they must ensure the content is available on the platform of the audiences choosing at the time they wish to consume it. We firmly live in an on-demand society.

Manx Radio is continually focussed on delivering compelling content to our audience and increasingly as an on-demand option within the existing resources of the station.

We continue to dramatically increase our range of podcasts beyond those produced in-house, by further engaging with the local community and offering the platform to local groups and organisations once again enhancing our community engagement as the public service broadcaster.

Whereas just over twelve months ago we had eighteen podcasts online, at the end of the financial year we offered in the range of fifty one different series available to Isle of Man and International audience via not only Manx Radio's own website but via Google, Apple and Spotify where the audience can subscribe to the series for free at the platform of their choosing. The start of the COVID crisis in March 2020 allowed us to utilise podcasting to accompany the tools of video streaming and on air broadcasting of the crucial daily Government Media Briefings to the public. These podcasts provide some of the most popular downloads to date, in harmony with the levels of engagement for the Manx Radio live blog of every briefing, video streaming and live broadcast coverage, Manx Radio provided the largest possible levels of audience multiplatform engagement to ensure everyone was kept informed during a time of crisis. The crisis did prove that during time of crisis the role of a Public Service Media Provider is crucial and the audience turn to providers like Manx Radio in large numbers for information and reassurance. Once again all this was provided using existing staff resources and during the COVID crisis with staff that were isolating or working remotely with no interruption to service.

In regard to linear broadcasting; alongside our FM network, we continue to run the AM network on 1368 KHz to provide complementary programming which is also provided by two web streaming channels, albeit with a delay caused by internet contention.

Until the start of the 2020 lockdown we continued to produce a substantial amount of visualisation content from our radio output and it continues to prove extremely popular in engaging audiences with a demand for video that is accessible via mobile phones, tablets and Smart TVs via YouTube and our manxradio.com Portal.

The flexibility of a second broadcast channel on AM1368, allows Manx Radio to enrich its offering as the Public Service Broadcaster. In conjunction with the BBC we continue to produce two Manx Language programmes which, we believe, play an important part in raising the profile of the language and in encouraging its use and compliment the other Manx Radio produced Gaelic programming on air and via podcast.



The additional channel also permits dedicated coverage of major sporting events such as the TT Festival, Southern 100 Racing, The Festival of Motorcycling, Football Cup Finals and more. It's also utilised for live coverage of Tynwald sittings, Keys Questions and Tynwald Committee hearings on issues of national importance. This can all be done without the interruption to the core Manx Radio daily service of news, community programming and entertainment which is so highly valued by the Manx audience. However as mentioned earlier, we are receiving an increasing amount of feedback regarding the quality of AM coverage for live motorsport and how the internet stream for such events is inappropriate due to the inherent delay of web streaming. The audience are demanding better quality service which the rest of the world is addressing by investing in DAB services. The BBC has invested in providing the island with modern DAB broadcasting of its purely UK centric content. In the short term where better quality broadcast provision is required for event coverage we address this where we can with limited RSL FM coverage.

### **community, arts and events** programming

One of Manx Radio's unique strengths as a multi media provider is our ability to broadcast from within our community to bring major local events to life via the unique ability of radio to paint a picture in the mind of the audience and the technology now available to us to share a flavour of the event island and worldwide via video and podcasting too. One of the great advantages to us when taking our content out into the community is that it also provides an excellent opportunity to meet our audience, marketing ourselves to new audiences and to receive direct feedback on our services.

One of the most significant annual cultural events on the island is The Manx Music Festival (the Guild). As in previous years, in 2019 our dedicated presenter, Judith Ley along with her production team, provided twice daily updates from the Villa Marina, as well as a dedicated evening programme featuring recorded highlights of a number of the award winning performances. This level of dedicated coverage has a loyal following and is widely enjoyed by our audience and by the performers alike and for the first time in 2019 there were numerous podcasts produced to compliment the radio coverage with additional performances from the festival. To date they were some of the most downloaded podcasts of the year.

Throughout the year in question, Manx Radio produced a significant number of large outside broadcasts both on air and with significantly increase online social media coverage reflecting the wide range of events that takes place within our community. They included:

- The Parish Walk
- Remembrance Sunday and wreath laying on Douglas Promenade
- The National Service of Remembrance from St Johns
- The Southern Agricultural Show
- IOM Budget Programme Live plus a Mannin Line special from Government offices
- Tynwald Day – Live from St Johns
- The Royal Manx Agricultural Show
- Island At War
- The Press Launch of the Southern 100 – Live from Castletown
- The Isle of Man Food and Drink Festival at the Villa Marina
- The Village Hall Series – visiting different village halls around the island to reflect their importance in our communities.
- A number of sponsored Radio Café broadcasts from businesses around the island



It is extremely important to us that we keep audiences up to date and engaged with events and cultural endeavours across our Island. In the past year we have doubled down on complimenting the traditional linear radio broadcast with multimedia live streaming, online imagery, social media interaction and podcasting where appropriate.

One of the roles of a Public Service Media provider is to produce the resource heavy programming and content that reflects the community we serve. These programmes have to be properly researched, produced; factual, yet entertaining and accessible to the audience. On air we reflect this aspect of our role in our weekday Island Life series which encompasses all aspects of Isle of Man culture, history, heritage, arts and community life.

We have further developed these programmes into podcasting opportunities with additional material made available online for audience download when appropriate and available. This content covers a range of topics from politics and farming to sport, Manx Gaelic, Arts and Culture.

All the additional podcasting and non-linear offerings that have been introduced over recent years, alongside the website content and the evolution of Manx Radio from a radio station into its primary role of a Public Service Media Provider have been produced by existing staff and freelance producers without additional resource.

Resources are not available to regularly produce the type of public service content that many expect on the scale of radio dramas, comedies and panel shows which are produced elsewhere. However we have been able to produce a number of specials throughout the year partnering with other organisations or utilising volunteer actors and writers.

We were also able to produce another two episodes of our popular satire programme; 'IM1' which pokes fun at the station and produces a tongue in cheek look behind the scenes at the Nation's Station, there are voluntary plans from our staff to produce a regular live charity event based upon this series to support local good causes.

Our dedicated community speech programming now on average totals 13½ hours per week as follows:

- |  |  |
|--|--|
| • Agenda (Political Coverage)            | 0.5 hrs  |
| • Countryside                            | 0.5 hrs  |
| • Spotlight (arts, creativity & culture) | 0.5 hrs  |
| • Shaight Laa                            | 0.5 hrs  |
| • Sport                                  | 6.0 hrs (up to 6.5 hrs during football season) |
| • Manx Gaelic Broadcasting               | 5.0 hrs  |
| • Isle of Man Religious Broadcasting     | 0.5 hrs  |

The continued drive to increase podcasts to satisfy the increase audience demand for content on this platform now sees it compliment our linear speech broadcasting with an average of 8-10 hours a week of speech podcasting content.

## **sport**

Sporting endeavour is a large part of island life, not just locally but covering the achievements of our sports personalities abroad. Manx Radio's sports coverage forms a vital component of our public service commitment to the Island and is unrivalled both on air and increasingly online.



Our day to day coverage of the wide variety of island sporting activities during the past twelve months continues to be intertwined with our rich coverage of news and programming and we have continued to support a number of high profile sporting events.

The sporting audience is increasingly turning to digital means to engage with sporting results and information away from live events. Since the launch of the new schedule in Oct 2019 we have been reallocating resources to balance the diminishing demand for the level of sport programming on live transmission with the increasing demand for coverage online and via podcasting.

As part of our multi-year agreement to support the volunteers who host the Southern 100 races in Castletown, in 2019 we once again provide unrivalled live commentary of the meeting from around the course, both on air and online. This illustrates Manx Radio's commitment to supporting such a popular, high profile sporting event which engages the island community through its teams of volunteers and supporters who work tirelessly to host the event annually.

Having provided commentary for the TT races since 1964, the station is justifiably proud of its broadcast reputation in this sphere.

There was talk in 2019 of the broadcast contract for the event going out to tender, however this did not materialise for the 2019 TT and FOM meetings. A single year agreement was signed with the Department for Enterprise in that Manx Radio would no longer produce it's 'Radio TT' station but instead be a service provider of the Department's 'Isle of Man TT Radio' which would provide the live coverage of the race event with an increased focus on purely the sporting element of the festivals with new and additional punditry comment and analysis of the racing, reduced advertising and further focus on the 'behind the scenes' nature of teams, supporters and riders.

The station was broadcast over 12 days for TT and for the Festival of Motorcycling (Classic TT and MGP) over a further 8 days. It is worthy of note that once again this year our coverage of these motorsport events is increasingly highlighting the issues with contention of internet streaming. With a delay inherent with online streaming service that cannot be avoided, the number of complaints regarding the delay in TT coverage in particular is noticeably higher larger numbers of spectators are switching to online streaming away from AM to receive better quality coverage.

Sporting events covered during 2019/20 included:

- TT
- Pre and post TT races at Billown
- Southern 100
- Festival of Motorcycling (including the Classic TT and Manx Grand Prix)

Whilst the majority of our year round sports coverage is produced in-house by our news team, it is complemented by a team of freelance reporters and correspondents from across the vast spectrum of the Manx sporting scene , many of whom give up their time freely to provide the level of coverage valued by so many islanders.

#### **specialist public service broadcasting including religion**

Public Service media provision isn't just about bland speech as many would assume but it is also crucially about reflecting the widest choice of musical tastes possible to our audience which other Isle of Man and mainstream providers do not service. These are featured in niche interest, specialist music programmes which reflect the vibrant live music scene of the Isle of Man. Each



weekday evening we present a different traditional music programme at 9pm such as Brass Bands, Traditional Folk music, Opera, Classical Orchestral, Jazz and Big Band, all of which reflect the large following these types of music have in Manx society showcased each year at the Manx Music Festival.

Since the re-launch of our on air schedule we have endeavoured to widen the scope of music provision to reflect the changes in musical tastes as time marches on. Our music policy was updated in October 2019 to reflect the tastes and expectations of today's core target market for the station as we are now about to enter the 6<sup>th</sup> decade since the 1960s, the core music of the mainstream station had to change to reflect that.

In terms of specialist music provision, in addition to the more traditional music style programming we still offer a specialist 60s programme every Saturday morning in Carnaby Street with Chris Williams, a new slot on Sunday afternoons for Triple Gold that showcases 70s, 80s & 90s music hosted by Paul Corkish, a new Saturday tea time programme called the Live Lounge hosted by Christy DeHaven which offers a strong, weekly focus on local contemporary music, including live sessions with Manx musicians, the Saturday Night party club programme hosted by Kerry Gascoyne which since relaunch has engaged with the local DJ-ing community and features a different live contributor every weekend and finally a new Sunday night Chill Out programme hosted by Chris Pearson.

Christmas 2019 provided us with the opportunity to showcase specially commissioned programming from within our existing team of creative staff and freelance contributors. The schedule features a wide range of special festive programming which, alongside our rich mix of live companionship and music shows, included many programme highlights. Shows included a live broadcast from Hospice Isle of Man, a Radio Caroline Christmas Special, Christmas Country, Spotlight arts review of the year, Christmas MoTown, Manx Girls' Choir Ceremony of Carols, Manx Radio's Festive Bloopers, Christmas Across the Pond (link with Canada), The Baking Bard Special, IM1:5, Merry Movie Music Classics, A Mass of Chris', 'Christmas Scrabble' Radio Play, A look back at Tynwald Millennium Year 40 years on, 110 Years since the Ellan Vannin Disaster, The Music of Haydn Wood 60 Years on and more. It should be noted that these are all produced by the station's team alongside the daily standard Manx Radio output they maintain year round.

Our religious programming continues to be an important part of our offering for a considerable number of our audience. The weekly programme Praise continues to provide a secular space in our schedules and features interviews, music and, the all important Notice Board. This feature keeps our listeners right up to date with regular service times, specially arranged services as well as community events taking place in the various places of worship around our Island. Praise is another programme we have been building upon to engage the online audience by introducing the programme as an extended podcast, and social media presence for non linear audiences to engage with. Towards the very end of the year when the COVID pandemic was beginning to have an effect on the island, Praise was replaced by a new programme entitled 'At Your Service' and was moved to a later slot of 9:30am to allow isolating and shielding church goers to take part in a radio 'virtual' service from across the island. This change proved extremely popular alongside the accompanying podcast and is likely to be retained.

## **the covid crisis**



Reference to the public health crisis caused by COVID-19 is more of a footnote in this annual report due to the effects of it only coming into play during the last few weeks of the year. However it is during times of such crisis that the public turns to a reliable and trusted Public Service Media organisation such as Manx Radio for information that is factually correct, timely and reassuring. They expect us to ask the questions they need the answers to, to relay the important information that Government needs to promote for their well being and equally important to offer them companionship, entertainment and escapism to aid their mental health when times are at their bleakest.

The flexibility in our remit was crucial during the early establishment of the daily Government media briefings when the first cases were reported with Manx Radio engineering resource assisting the establishment of the briefings when the state of emergency was declared. We quickly ensured that all the key announcements were covered in a multi-platform way to ensure the widest demographic of our population were reached by on air transmission, podcasting, live web blog, news articles and dedicated web presence, social media engagement and video streaming.

Despite many comments about the internet being the 'only way' to engaging people, during the crisis when working from home put a strain on connectivity and a number of dropouts occurred during crucial briefings, Manx Radio's radio transmission service was uninterrupted to the population, ensuring we were there to keep them informed and keep them company. The crisis saw the highest levels of engagement with Manx Radio ever recorded, proving the value of us a Public Service Media Organisation to the populace.

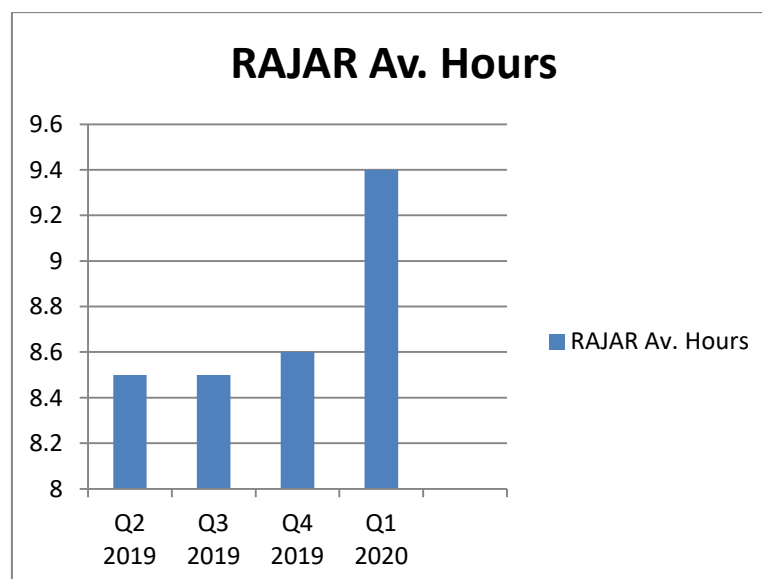
## **audience** research

Since 2003 Manx Radio has subscribed to RAJAR (Radio Joint Audience Research), which provides industry standard radio listening figures for most British radio stations and provides us with comparable quarterly listening statistics.

Whilst radio is still the core of what we do and we would never lose sight of that, as a Public Service Media organisation we needed to place our radio figures into context along with the engagement figures of our content generally. These new figures allow us to paint a better picture of how Manx Radio's content is being consumed by our audience across various platforms and where audience demand is highest. There is naturally a spike in demand for online listening and web based content during Q2 and Q3 every year driven by the international demand for TT and Festival of Motorcycling content, however away from this the trend for consumption of Manx Radio's content is on the increase.

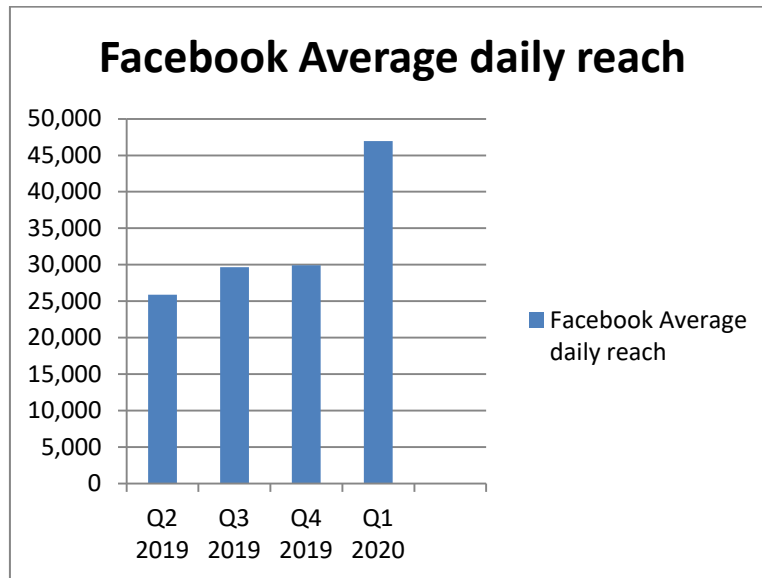


<b>Audience Engagement Figures</b>				
<b>Research Period</b>	<b>Q2 2019</b>	<b>Q3 2019</b>	<b>Q4 2019</b>	<b>Q1 2020</b>
<b>RAJAR % Reach</b>	<b>43%</b>	<b>45%</b>	<b>44%</b>	<b>43%</b>
RAJAR Total Reach	30,100	31,300	30,700	29,700
RAJAR Total Hours (000's)	255	265.9	262.6	277.9
<b>RAJAR Av. Hours</b>	<b>8.5</b>	<b>8.5</b>	<b>8.6</b>	<b>9.4</b>
<b>Online Listening - Unique Connections</b>	<b>121,092</b>	<b>99,354</b>	<b>48,061</b>	<b>62,804</b>
<b>Website page views</b>	<b>7,295,410</b>	<b>5,012,427</b>	<b>4,024,727</b>	<b>6,993,302</b>
<b>Facebook Average daily reach</b>	<b>25,880</b>	<b>29,638</b>	<b>29,901</b>	<b>46,968</b>
<b>Twitter Impressions</b>	<b>2,500,000</b>	<b>2,300,000</b>	<b>2,300,000</b>	<b>3,600,000</b>
<b>Total Video Views</b>	<b>538,198</b>	<b>675,800</b>	<b>770,500</b>	<b>1,595,700</b>
Video Minutes Viewed	376,196	411,000	432,568	1,805,700
<b>Podcast Page Online Visits</b>	<b>28,247</b>	<b>19,990</b>	<b>26,201</b>	<b>54,590</b>
<b>On Demand Requests</b>	<b>21,090</b>	<b>11,647</b>	<b>10,918</b>	<b>22,913</b>

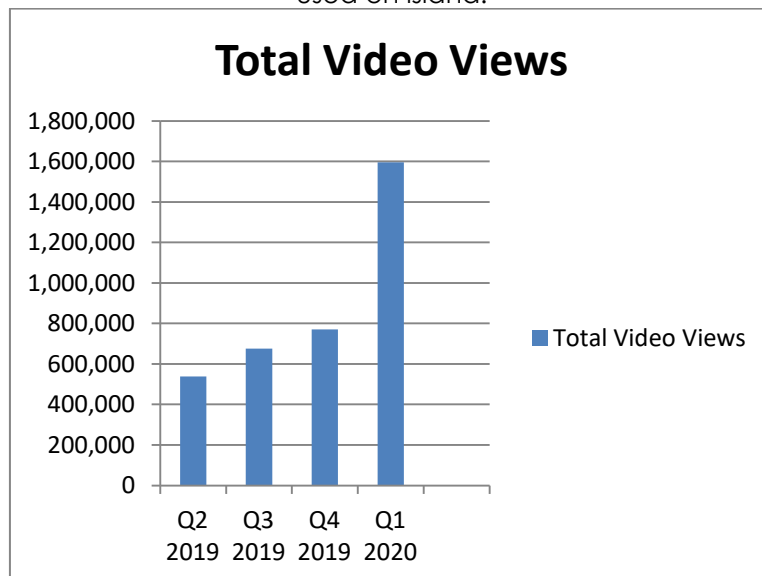


Since the schedule re-launch the average number of hours that audience are listening to Manx Radio has increase and represents approval of the content being broadcast.

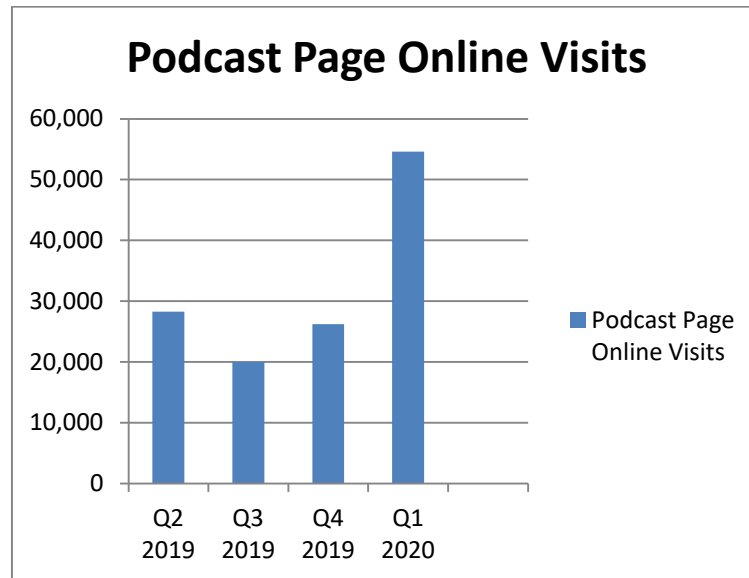




Providing content online via the website is still only a small part of the picture, as disseminating that content to where the audience is requires a large amount of integration with social media and whilst new platforms continue to emerge, Facebook is still the dominant platform being used on island.



Video is continuing to be a key driver in terms of Public Service Media provision. Since the launch of our Manx Radio Vision product back in 2018 we have seen sustained growth in the levels of engagement in this area.



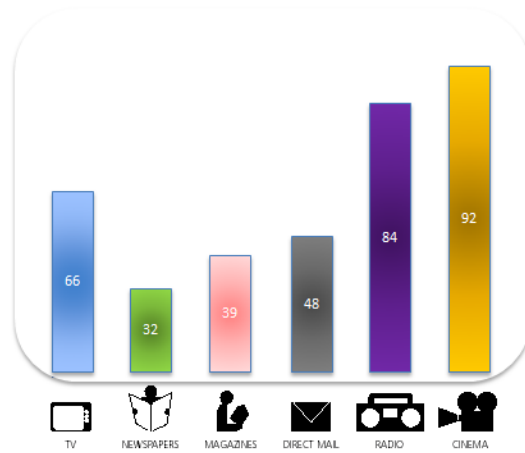
The continued drive to expand the provision of Isle of Man produced podcasting via Manx Radio is proving popular with audiences who subscribe, the introduction of a daily news and current affairs podcast in the form of Update has proved popular for non-linear audiences.

#### **4. commitment to the commercial sector**

##### **key highlights of the year**

2019/20 proved to be a tough business year for Manx Radio and other Island businesses which rely on advertising revenue following the very successful business year in 18/19. Even before Covid-19 arrived on the Island, many businesses were spending less on advertising and sponsorship than the year before.

Radio is still the marketing medium with the greatest penetration outside of cinema and as such delivers a high return on investment for commercial clients. Consumption of radio in the Isle of Man is still highest on FM in vehicles and advert avoidance is exceptionally low. These factors give commercial advertisers confidence in the medium and together with Manx Radio's structured product portfolio deliver exceptional value.



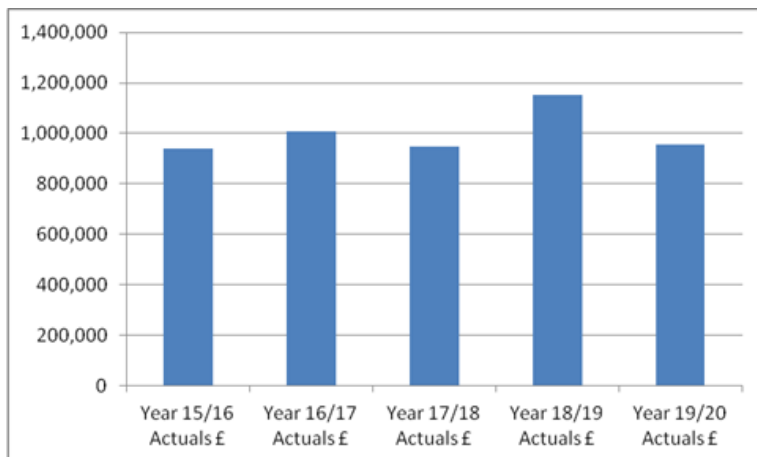
Source : Interactive Media – Radio Centre

**sponsorship**

All of Manx Radio’s key sponsorship solutions started the year completely sold, giving the station a solid platform for the year. Many of the stations key sponsors are very loyal and long term clients who have experienced first rate response for their business from their investments.

**general airtime sales**

As already mentioned, fewer Island businesses were spending at previous levels on advertising campaigns in this financial year compared to the last which had been boosted by Jacksons Motor Group, who in turn had caused and uplift in spend from quite a few other motor dealers and associated businesses.



Manx Radio’s 6 year history for advertising sales revenue can be seen above. The average income over the last 16 years has been circa £1,000,000 so it would be reasonable to assume that the Island market for Manx Radio has a ‘glass ceiling in the region of £1M. Manx Radio has worked hard to sustain a good commercial offer in a market that has become increasingly diluted with more radio stations, publications and digital offerings



## 5. Engineering Services

### i. Annual Transmission Statistics:

	Target	Actual
Percentage of continuous FM transmission across all sites	99%	100%
Carnane (97.2 MHz)		100%
Snaefell (89MHz)		100%
Jurby 103.7MHz)		100%
Ramsey (89.5MHz)		100%
Peel (89.5MHz)		100%
Percentage of continuous AM transmission	99%	100%
Percentage of continuous web access	99%	100%

### ii. Transmission

Other than a number of periods of reduced power during planned maintenance on masts and towers, 100% transmission has been maintained throughout the year. However, considerable time has, again, been spend maintaining the aging AM service, including the planned second phase of maintenance and painting of the two 180' masts at Foxdale and an extensive in-house programme of amplifier refurbishment work on the 30-year-old primary AM transmitter.

Alongside maintenance of the legacy systems, Manx Radio continues to investigate opportunities to provide a DAB+ service for the Isle of Man, believing strongly in the potential benefits of terrestrial digital radio and as a natural replacement to the AM service.



**iii. Covid-19**

Covid-19 restrictions and precautions undoubtedly presented many challenges to maintaining quality public service broadcasting. However, in the absence of the usual schedule of outside broadcasts, much of Manx Radio's OB technology was able to be repurposed to facilitate remote working. Nevertheless, for those still required to work within the building, the cramped office space within the News and Programme areas does make social distancing precautions difficult.

**iv. Broadcasting House**

The ongoing programme of minor capital works has helped maintain the appearance and general working environment within Broadcasting House, but we remain conscious of the lack of facilities for those with physical impairment, problematic access to the building and our responsibilities under the Equality Act. While a column-3 figure remains in the Pink Book for the redevelopment of Broadcasting House we must be mindful of the current challenging economic climate and the redevelopment project remains on hold.

**v. Engineering Commercial Services**

Manx Radio's small but diversely-skilled engineering team continues to cover all areas of the Station's technical infrastructure including electrical and electronics systems, IT, networking and computer technologies, outside broadcasts, communications and RF transmission and antenna work. Once again, for 2019/20, key contracts were retained with Vodafone, for first line support of their fibre-optic telecoms systems and many customer sites on the Island, and with Arqiva supporting the BBC DAB and FM radio transmitters (Radios 1, 2, 3 & 4) at Carnane, Ramsey and Port St Mary in addition to the ten digital TV transmitters around the Island. Through its external services, the Engineering department continues to make a valuable financial contribution to Manx Radio commercial revenues.



## 6. **corporate** governance

The non-executive directors of the company in 2019/20 were:

Bill Mummery - Chairman  
Charles Guard  
Sally Roberts - Chair of the Audit Committee (retired 03/07/2019)  
Nicola Bowker - Chair of the Audit Committee (Appointed 26/09/2019)  
Chris Eaton

### i. **audit** committee

The role of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities. The company's relationship with its external auditors is a principal duty of the committee alongside the review of financial reporting, compliance with licence requirements and internal control processes.

### ii. **remuneration** committee

The Appointments and Remuneration Committee which consists of the company chairman and three non-executive directors met six times in 2019 and once in the first quarter of 2020.

The chairman of the Audit Committee chairs the Appointments and Remuneration Committee. In addition to managing senior appointments the committee's role is to oversee the remuneration terms, which include pension rights and compensation schemes, of the senior management of Manx Radio. The company's new Memorandum and Articles of Association require the remuneration of the directors, both executive and non-executive, to be approved by the shareholder in an EGM.



7. the communications commission compliance report



**MANX RADIO – STATEMENT OF COMPLIANCE 2019/20**

The Communications Commission has no reason to believe that, during the period under report, Manx Radio did not comply with the terms of the licence under the Broadcasting Act 1993 granted by the Commission to Radio Manx Limited.

On behalf of the Commission.



Ivan Kiely  
Chief Executive Officer

11 September 2020



