



Annual Report 2018/19



GD 2019/0046

Radio Manx Limited
Financial statements
for the year ended 31 March 2019

Radio Manx Limited

Chairman's statement

Across the world, as well as here at home, public service broadcasting continues to face many challenges, not least in the continued effort to offer balanced and unbiased news and opinion to counter the growing tide of fake news. The past twelve months have been one of both challenges and opportunities, particularly as we move forward.

We bade farewell to Managing Director Anthony Pugh, after 15 years at the helm. We welcomed in his place Chris Sully, who joined the team after a 28-year career with the forces broadcasting service, BFBS. Chris's career took him to all of the major overseas locations, including tours of Afghanistan, Iraq and the Balkans. His experience in partnering with a variety of stakeholders, including the MoD, Defence Communications, the BFBS Board and local Command to deliver and grow the offering will, I am sure, prove invaluable moving Manx Radio forward in this new era. Chris took up his new role in mid-April 2019.

From a commercial standpoint, the past year has been successful and we saw a welcome growth in commercial income. Manx Radio's 'Amplify Programme' performed very well and contributed significantly to this revenue. The government subvention remained at £875,000 for the year which financed 37% of our expenditure. The turnover from continuing operations of £1,524,280 was £389,599 (34%) above the previous year and considerably above the average of the five years prior to that. Operating expenses of £2,380,941 are £334,889, (16%) above the previous year. The resultant profit of £17,301 is encouraging and is a considerable improvement over the previous two years losses.

Part of the increase in operating expenses came from developments in our multimedia offering. The video content produced has proved popular in terms of audience engagement. In line with this, we also committed more resources to our web news provision to improve the standard and breadth of online content via longer form online stories, links, videos, illustrations and audio to accompany news stories.

We committed significant time and resources to a redesign of the MR website in order to make it more user-friendly and to further integrate it with our Smartphone app, which continues to see growth as a user interface. We further promoted our Smartphone app adding a number of additional features including video integration. This has seen the number of downloads substantially increase by the thousands. These digital initiatives are in line with significant changes in how news is consumed and are important in retaining and developing our younger audience.

Investment in new digital outside broadcast technology has granted us further freedoms in terms of broadcasting programmes from remote locations. We have made a concerted effort to increase the number of community outside broadcasts with our 'Village Hall' series - ensuring these broadcasts are a hybrid of traditional radio broadcasting and live streaming video on social media.

We have increased our focus on providing more digital content and meeting audience demand and, to engage younger audiences, podcast provision has increased dramatically from a small handful of 5-6 series of podcasts last year to 26 at the end of this year. More podcasts, including those made by individuals and groups outside of Manx Radio, are a big part of the offering going forward.

Our core special event coverage continued to grow over the past twelve months: 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, Isle Expo, live coverage from the Lorient InterCeltique Festival, live coverage from the Commonwealth Games in Australia 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 also worked with the Isle of Man Arts Council to produce a new radio drama 'For The Fallen', written, directed and performed locally, it was produced to mark the 100th anniversary of the ending of the First World War. 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.

Radio Manx Limited

A former work experience student and part time freelancer, William King, produced a documentary entitled 'Youth In Politics' which was broadcast at Christmas following an island wide schools survey for the programme and interviews with politicians. The programme has subsequently won the 'Young ARIAS Radio Academy 2019 Award' in London. Our congratulations are extended to William.

The station continues to engage with young people by hosting a number of work experience students from across the Island's secondary schools. New programmes include Bob Into Buildings (exploring our Island's built heritage and architecture), History & Heritage exploring the work of Manx National Heritage in protecting and interpreting the Island's culture and heritage, Ta Mee Gindys which explored the quirky aspects of the Isle of Man that have always made you say "I wonder" and Perspective a new Sunday lunchtime current affairs debate programme which replaced Sunday Opinion with a drive to engage a wider audience utilising not just traditional broadcasting but also social media input and live guests.

To improve our coverage of court stories we now share resources with other media providers to ensure more comprehensive coverage. We are hopeful that this sharing of resources will develop further.

Our programme schedule, designed to appeal to an audience across the spectrum is very much a 'living document' aimed at delivering a station that is truly at the very heart of its community. The Manx Radio team has been tasked with putting together a report on the future structure and output of our Public Sector Broadcaster to be considered by Tynwald in October 2019.

In conclusion, the year under review has been both challenging and rewarding. It has, I believe, delivered some of the foundations required to take Public Service Broadcasting and Manx Radio forward.

I extend my thanks to all at Manx Radio for their dedication, expertise and enthusiasm in delivering these achievements.

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

31st July 2019

Radio Manx Limited

Directors' Report for the year ended 31 March 2019

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2019, 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 profit for the financial year of £17,301 (2018: loss £37,975) which has been transferred to reserves (2018: deducted from reserves). The directors do not recommend the payment of a dividend (2018: £nil).

Directors

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

D A Pugh (Resigned 31/12/2018)
C R Guard
D S Leeming
J N Marsom
S P Roberts
W D Mummery
C P Eaton
C Sully (Appointed 12/4/2019)

Audit committee

The Audit Committee comprises non-executive directors, namely Mrs S P Roberts (Chairman), 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:

D A Pugh (Resigned 31/12/2018)
C P Eaton (Appointed 31/12/2018 – 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

31st July 2019

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

31st July 2019

Radio Manx Limited

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

Report on the audit of the financial statements

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 2019 and of its profit 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.
-

What we have audited

Radio Manx Limited's financial statements comprise:

- the balance sheet as at 31 March 2019;
 - the profit and loss account for the year then ended;
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

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.

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.

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.

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 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)

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.

Report on other legal and regulatory requirements

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;
- 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
1st August 2019

Radio Manx Limited

Profit and loss account for the year ended 31 March 2019

	Note	2019 £	2018 £
Turnover - continuing operations	2	1,524,280	1,134,681
Public service subvention		875,000	875,000
		2,399,280	2,009,681
Operating expenses		(2,380,941)	(2,046,052)
Interest payable and similar charges	3	(1,038)	(1,604)
Interest receivable		-	-
Profit / (Loss) on ordinary activities before taxation	5	17,301	(37,975)
Taxation	6	-	-
Profit / (Loss) for the financial year	13	17,301	(37,975)

The notes on pages 9 to 18 form an integral part of these financial statements.

Radio Manx Limited

Balance sheet at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	7	1,548,358	1,537,431
Intangible assets	8	13,578	27,153
Assets under the course of construction	7	22,318	22,318
		1,584,254	1,586,902
Current assets			
Debtors and prepayments	9	282,604	194,316
Cash at bank and in hand		143,321	30,767
		425,925	225,083
Creditors: amounts falling due within one year	10	(529,544)	(422,680)
Net current liabilities		(103,619)	(197,597)
Total assets less current liabilities		1,480,635	1,389,305
Creditors: amounts falling due after more than one year			
11			
(76,081)		(
2,052)			
Net assets		1,404,554	1,387,253
Capital and reserves			
Called-up share capital	12	459,002	459,002
Share premium	13	297,000	297,000
Revaluation reserve	13	710,616	710,616
Profit and loss account	13	(498,793)	(516,094)
Capital contribution reserve	13	436,729	436,729
Equity shareholder's funds	13	1,404,554	1,387,253

The financial statements on pages 7 to 18 were approved and authorised for issue by the board of directors on 2019 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 2019

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's 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 2019 *(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 2019 (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

	2019	2018
	£	£
Other interest payable and bank charges	1,038	1,604

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 2019 *(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 2019 (continued)

5 Profit/loss on ordinary activities before taxation

	£	2019 2018 £
Profit/loss on ordinary activities before taxation is stated after charging:		
Depreciation and amortisation	125,972	121,792
Auditor's remuneration	9,800	9,500
Non-executive directors' remuneration*	30,080	29,785
Pension costs	127,044	131,065

* The Chairman received remuneration of £9,426 (2018: £9,334). The other non-executive directors received £6,299 each (2018: £6,236 each) and the chairman of the audit committee received an additional £1,759 (2018: £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.

Remuneration of Manx Radio staff for the year ended 31st March 2019:

	2018	2019
	Number	Number
Earnings between £50,000 to £74,999	5	2
Earnings between £75,000 to £99,999	0	1

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 2019 (continued)

7 Tangible assets

	Freehold land & buildings £	Computers & related equipment £	Fixtures fittings & plant £	Motor vehicles £	Total £
At 1 April 2018					
Cost	1,175,000	111,757	1,021,427	85,340	2,393,524
Accumulated depreciation	-	(75,672)	(714,573)	(65,848)	(856,093)
Net book value	1,175,000	36,085	306,854	19,492	1,537,431
Opening net book value	1,175,000	36,085	306,854	19,492	1,537,431
Revaluation/additions	-	-	123,324	-	123,324
Disposals	-	-	-	-	-
Charge for the year	-	(12,894)	(92,388)	(7,115)	(112,397)
Closing net book value	1,175,000	23,191	337,790	12,377	1,548,358
At 31 March 2019					
Cost	1,175,000	111,757	1,144,751	85,340	2,516,848
Accumulated depreciation	-	(88,566)	(806,961)	(72,963)	(968,490)
Net book value	1,175,000	23,191	337,790	12,377	1,548,358

Land and buildings were valued at £1,175,000 for the year ended 31 March 2017 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 no change to the value of the land and buildings for the year ended 31 March 2019.

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 £2,080 (2018: £4,519) held under finance leases.

Assets under the course of construction (Broadcasting House Redevelopment) of £22,318 (2018: £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 2019 (continued)

8 Intangible assets

	£
At 1 April 2018	
Development cost	40,727
Accumulated amortisation	(13,574)
Net book value	27,153
Opening net book value	27,153
Additions	-
Charge for the year	(13,575)
Impairment in year	-
Closing net book value	13,578
At 31 March 2019	
Cost	40,727
Accumulated amortisation	(27,149)
Net book value	13,578

9 Debtors

	2019 £	2018 £
Trade debtors	200,131	130,432
Other debtors and prepayments	82,473	63,884
	282,604	194,316

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	132,931	103,552
Other creditors and accruals	108,463	55,351
Deferred income	86,273	60,735
Subvention in advance	200,000	200,000
Finance leases	1,877	3,042
	529,544	422,680

A portion of the subvention for both 31 March 2018 and 31 March 2019 was received before the end of each year and reported in subvention in advance shown above.

Radio Manx Limited

8 Intangible assets

	£
At 1 April 2018	
Development cost	40,727
Accumulated amortisation	(13,574)
Net book value	27,153
Opening net book value	27,153
Additions	-
Charge for the year	(13,575)
Impairment in year	-
Closing net book value	13,578
At 31 March 2019	
Cost	40,727
Accumulated amortisation	(27,149)
Net book value	13,578

9 Debtors

	2019 £	2018 £
Trade debtors	200,131	130,432
Other debtors and prepayments	82,473	63,884
	282,604	194,316

10 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	132,931	103,552
Other creditors and accruals	108,463	55,351
Deferred income	86,273	60,735
Subvention in advance	200,000	200,000
Finance leases	1,877	3,042
	529,544	422,680

A portion of the subvention for both 31 March 2018 and 31 March 2019 was received before the end of each year and reported in subvention in advance shown above.

Radio Manx Limited

Notes to the financial statements for the year ended 31 March 2019 (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”. The amount received from the Isle of Man Government for the year ending 31 March 2020 for the Public Service Broadcasting is £899,830 (2019: £875,000). 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 £80,000 in 2020 (2019: £80,000), £150,000 for minor capital works (2019: £150,000) and for minor capital works on the AM transmission network £Nil in 2020 (2019: £40,000) has been agreed. The total level of funding for the year ending 31 March 2020 including the annual subvention is £1,129,830 (2019: £1,145,000). 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 2019/20 which was approved by Tynwald in February 2019 confirmed the level of funding for the company for 2019-20, and provided provisional projections for the following two years to 2021-22, subject to annual approval by Tynwald vote.

A Tynwald Select Committee on Public Service Broadcasting (2018) was formed following a resolution of Tynwald on 16th January 2018. The Committee’s remit was ‘That Tynwald reaffirms its commitment to public service broadcasting and is of the opinion that it should be provided in an efficient manner using a variety of channels; and that a Select Committee of three Members be appointed to review the current licence conditions, delivery model and funding thereof, and connected matters, to take account of technological advances and demographic changes; and report with recommendations by July 2018’.

A final report was debated in Tynwald in December 2018. The select committees report was not approved. A new motion was approved which stated that “Tynwald affirms its commitment to Independent Public Service Media based on the core values of informing, educating and entertaining the public of the Isle of Man; calls on the Council of Ministers to pursue negotiations with the British Broadcasting Corporation aimed at securing improved outcomes for the Isle of Man; and calls on the Board of Radio Manx Limited to develop a sustainable operational and funding plan for Radio Manx Limited to be submitted to its shareholder for presentation to Tynwald by October 2019.”

As a result of the company seeking to discuss a financial strategy with its shareholder and as a result of an uncertain outcome at the present time for public service broadcasting, the Treasury, as shareholder, has agreed to provide support as necessary to the company in respect of any serious cash flow issues which it may encounter.

Radio Manx Limited

Notes to the financial statements for the year ended 31 March 2019 *(continued)*

16 Related parties

An amount of £149,983 (2018:£Nil) in respect of minor capital works and £Nil(2018: £37,009) in respect of repairs to the company's property has been paid by the Isle of Man Government.

17 Post Balance Sheet Events

It is expected that additional share capital will be subscribed to eliminate the annual need for future advance payments of subvention.

Mrs Sally Roberts resigned from the board with effect from the end of its meeting on 31 July 2019 after a period of notice. A recruitment process for her successor commenced in June 2019.

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**

I joined Manx Radio in April after a 28 year career with the forces broadcaster, BFBS, travelling all over the world, including tours of Afghanistan, Iraq and the Balkans. Before that, I worked in commercial radio for a number of years, so, when the opportunity to join the team at Manx Radio arose, I grabbed it with both hands. The station has a long and illustrious history and is part of the fabric of the community it serves so well.

Elsewhere in this annual report, you will read of the changes we are making to our output, across the linear and digital platforms. These changes, I truly believe, will strengthen the Manx Radio offering to our community. Many of the changes came as a direct result of meetings I had in my first few months with the station, talking with people from across the Island, from members of the public to business leaders and from community groups to politicians.

You'll also read about the continuing success of our online presence with increases in engagement across a broader spectrum of output. Long gone are the days when a radio presenter or reporter would rock up and spend a day recording and editing a piece of audio for transmission on the radio and then go back to the office, job done. Now, we ask our team to ensure that in addition to radio content, they produce and publish online content, including pictures, audio and (where it helps) video, for our social media pages and, of course, www.manxradio.com

We can see a continuing upward trend in our audience engaging with us in this fashion, as well as through our increased number of podcasts. In terms of monitoring the success of Manx radio's digital offering, we track these trends and must be aware (as the BBC has been doing for a number of years), that they play a significant role in representing our overall achievements. That said, traditional (linear – live and as it is broadcast), radio is still very much the backbone of Manx Radio's output. Our latest audience survey results show that Manx Radio has a monthly reach of 60% of adults over the age of 15 across the island (RAJAR Q2 2019). Traditional 'broadcast' radio survived the introduction of TV and the internet and continues to more than hold its own in an age of Netflix, Prime and other on-demand services. Whether those live shows are heard on a traditional FM or AM platforms, via a smart speaker, mobile device or laptops, the simple fact is that people across the Island and the world generally, are staying true to radio, particularly in their cars.

With this in mind, Manx Radio is working 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. To put this in some overall context, UK DAB listening is about the same size as all listening on FM and continues to grow. DAB accounts for 40% of radio listening compared to online/apps at 11% (RAJAR Q2 2019).

The idea that DAB stands for 'Dead And Buried' is demonstrably false.

Maybe the 5G prospect of 'all you can eat data' for low costs will eventually come to pass, but DAB is likely to become the platform of choice for most listeners for the next ten – fifteen years at least as the UK Government drive toward an eventual switch off of the FM network continues apace.



In a time of growing polarisation of public opinion, entrenching of personal positions, social media confirmation bias, digital 'noise' and a general mistrust of the official 'line', it's clear that there is still a vital place for a truly independent, accountable and trustworthy source of news and information.

In fact, it could be argued that this is more important now than it has been for many years. A good, solid Public Service media like Manx Radio plays a significant role in countering 'fake news' whilst offering the community the chance to hold those in authority to account in a manner that other media organisations aren't able or willing to do.

And, at the heart of everything is our team at Manx Radio.

I worked with some amazing people in some very trying circumstances with BFBS, but I can honestly say that our team at Broadcasting House match and often exceed that professionalism and willingness to go the extra yard for the Manx community and in representing that community to a wider audience.

As an example, a former work experience student and part time freelancer, William King, produced a documentary entitled 'Youth In Politics' which was broadcast at Christmas following an Island wide schools survey for the programme and interviews with politicians. The programme has subsequently won the Young ARIAS Radio Academy '19 Award in London.

The station continues to engage with young people by hosting a number of work experience students from across the island's secondary schools. Looking ahead, one of our key engagements is partnering with schools and colleges on the island to offer training and mentoring to those interested in journalism. We then plan to offer them and others in the community, the chance to use Manx Radio's online and on-air platforms in order to reach as many people as possible.

I'm very excited about what Manx Radio offers and our plans to engage more closely with the community. Our door is always open, pop in for a look around and a chat.

Chris Sully
July 2019



2. programming

i. statement of programme policy

statement of programme policy

The Manx Radio FM schedule from 1st April 2018 is as follows:

TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME
00	SUNDOWN	LATE SHOW					SAT NIGHT LIVE	00
01	NIGHTRAX							01
02								02
03								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						MOGHREY JEDOONEE	10	
11	TALKING HEADS (inc. MANDATE AT 1 - 1.00 - 1.15)					RADIO CAFÉ	SUNDAY OPINION	11
12						SPORT PREVIEW	12	
13	BETH & CHRISTY - WOMEN TODAY / CONISTER ROCKS					SATURDAY SPORT LIVE	MANNIN LINE	13
14	AFTERNOON SHOW						SUNDAY SOUNDTRACK	14
15						15		
16	MANDATE AT 5 - NEWS, BUSINESS, SPORT, TRAVEL AND HEADLINES					SPORT CLASSIFIED	ALL REQUEST SUNDAY	16
17								AGENDA
18	GREATEST HITS				FOOTBALL FOCUS	SATURDAY NIGHT PARTY	CLAARE NY GAEL	18
19					TRIPLE GOLD			19
20	LATE SHOW					SATURDAY NIGHT LIVE	SUNDOWN	20
21								TIME FOR BRASS
22	LATE SHOW					SATURDAY NIGHT LIVE	SUNDOWN	22
23								23
TIME	MON	TUE	WED	THUR	FRI	SAT	SUN	TIME
	NEWS, C/A, TOPICAL SPEECH	COMMUNITY & EVENTS	SPECIALIST PSB MANX, ARTS, CULTURE & MUSIC	SPORT				

The schedule also includes an average 149 News Bulletins per week.

The above schedule ensures that our FM network alone provides, on average, a minimum of 40% speech orientated programming output on Weekdays (0600 – 1900) categorised as follows:

- News, Current Affairs, Tynwald* and Weather
- Sport and TT*
- Community engagement 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 current affairs coverage.

** Also includes Travel information , What's On, Event promotion, Obituaries, Charity interviews, General interviews, Audience Engagement, Topical Debate, Competitions, and Presenter links.

The schedule is flexible and allows the addition of specialist public service broadcasting content depending upon seasonal community events, providing the Manx population with a truly local service that reflects all aspects of island life. These can be broadcast outside of weekday coverage at weekends and on different platforms away from traditional linear radio broadcasting. The level of public service content can increase significantly during such periods.

alternative programming

Manx Radio further augments its output through the provision of alternative programming to listeners via its additional web stream for online / Smartphone app / smart speaker access & its AM network. This coverage includes:

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

NB. The speech content broadcast on AM is in addition to the station's licence quota of 40% speech output broadcast on FM.

digital programming

The online streams of Manx Radio's linear transmissions which are available via manxradio.com, our smartphone apps and via smartspeaker offer an alternative route to listen to the station's linear programming. Our digital offering is a much valued resource to a large proportion of the population who may not engage directly with linear broadcasting as trends change. Manx Radio's digital presence offers users the ability to subscribe for free to an increasing number of speech based Podcasts, to catch up by listening on-demand to selected programmes and exclusive digital only speech, entertainment and visual content at a time to suit their schedules and in the location of their choice.

The Manx Radio Visualisation project (Manx Radio Vision) which launched a year ago is continuing to grow in popularity and relevance and further supports the station's output. The video content has continued to grow in its importance into a multiplatform approach to delivering content to the audience in the form they choose to engage with.



Manx Radio Vision video content is not just available via traditional digital platforms of the Manx Radio YouTube Channel, social media pages and 'The Portal' on manxradio.com, but increasingly is forming a key component in multimedia news stories and show blogs available via the website and smartphone apps.

Driving traffic to this huge variety of digital content are the station's social media pages on Facebook, Twitter and Instagram which offer the opportunity for easy and effective interaction with Manx Radio.

speech assessment

The speech content assessment is an average calculated by Manx Radio and is a manual assessment carried out at each change of programme schedule and on one annual 'sample' day.

public service broadcasting subvention allocation

The allocation of subvention to programming for the period 1st April 2018 to 31st March 2019 was as follows:

		2018/19		2017/18	
		£	%	£	%
1	News, Current Affairs, Tynwald & Weather	504,091	57.61%	510,980	58.40%
2	Sport and TT	73,536	8.40%	70,959	8.11%
3	Community and Events Programming	188,665	21.56%	185,420	21.19%
4	Specialist PSB including Religion	108,708	12.43%	107,640	12.30%
		875,000	100.00%	875,000	100.00%

NB It should be noted that the subvention of £875,000 only represents the partial cost of delivering these public service programme strands on Manx Radio. The remainder of the cost of each strand is subsidised by the company's commercial activities.

ii. news, current affairs and weather

One of the key aspects of a Public Service Media provider is, by definition, serving the public with a high quality, relevant and speech rich collection of content which reflects the Manx nation's culture, heritage, music and day to day life back to itself across multiple platforms.

One of the cornerstones to Manx Radio's multiplatform approach to public service provision is driven by our commitment to producing trusted, fair, balanced, and relevant, in depth, informative news and current affairs content for the Isle of Man.

In the world of fake news, especially online, 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 both at home and abroad.

It is this provision that has ensured Manx Radio has developed a loyal and dedicated audience over the years, primarily on linear radio but in the current age more so online driven from our radio production.

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



- Monday to Friday, 17 each day 85
- Saturday 13
- Sunday 13

In addition, we supplement these local bulletins with international bulletins from Sky News at off-peak times, resulting in the broadcast of 149 bulletins each week.

However, in a changing world where audiences demand news and current affairs at a time that suits them and on a platform of their choice, we are committed to meeting this demand. Consequently, the station continues to adapt and modify 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 populace.

This provision of news and current affairs relies heavily on human resources and the time to properly research stories and conduct interviews to ensure accuracy and provide the public with the full story, not just a headline which a lot of the time 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.

iii. sport

Our sports coverage forms a vital component of our public service commitment to the Island. The Manx population are committed supporters of local sportsmen and women and also are active participants in a myriad of sporting activities. Our role is to provide unrivalled coverage of local sporting events and information surrounding the exploits of our sportsmen and women, wherever they compete.

Alongside our day to day coverage of the wide variety of island sporting activities during the past twelve months we have continued to support a number of high profile sporting events.

A key component of a national broadcaster's responsibility in regard to sport is covering our Island's successes when competing further afield.

During July 2018 Manx Radio partnered with Manx Telecom and the Island's Commonwealth Games Team Organisers to provide unrivalled, multimedia coverage of Manx Athletes competing at the Gold Coast Commonwealth Games in Australia.

By sharing resources and costs the station was able to provide live daily radio programming and reports from the event with interviews and updates along with dual branded video blog coverage and an online blog. It was the most comprehensive sports coverage of international sporting endeavour the station has ever undertaken and was well received with a very large amount of online engagement.

The station has signed an agreement with the organisers of the Southern 100 races to become their official broadcast partner for the remainder of the station's current licence. This enables both the station and the race organisers to plan ahead with confidence and illustrates Manx Radio's commitment to supporting such a popular, high profile sporting event which engages the island community through its teams of volunteers 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. This year we once again broadcast a dedicated event radio station, 'Radio TT', 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 our coverage of the TT is increasingly



highlighting the issues with contention of internet streaming. The inherent delay due to online streaming technology issues, particularly during TT coverage, gave rise to a number of complaints, particularly when more and more spectators are switching to online streaming in preference to the reduced audio quality from AM radio reception.

Sporting events covered during 2018/19 included:

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

Social Media is now a must for all media providers in order to fully engage with the audience. We continue to embrace social media to further improve our coverage with dedicated resources providing digital audiences with timely updates and content. We also utilised a mobile version of the Manx Radio Visualisation camera system to live stream the morning TT chat shows from the Grandstand, this complemented the video coverage already provided where permissible from the event. This new innovation proved extremely popular with audiences off island and provided a new online stream of audience engagement.

We include sports bulletins in Mandate AM, Mandate at One and Mandate at Five as well as offering 6½ hours of dedicated sports programming within our weekly schedule:

- Friday Sport Preview 0.5 hrs
- Football Focus (TX Friday) 0.5 hrs (during football season)
- Saturday Sport Preview 0.5 hrs
- Saturday Live 4.0 hrs
- Saturday Sport Classified 1.0 hr

We have also noted that audience demands are changing to wanting more sports coverage available online rather than just via linear broadcast coverage. To this end we are providing more timely online updates of local sports fixtures and new podcasting opportunities for sports coverage.

Whilst the majority of our 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.

iv. community and events programming

One of Manx Radio's unique strengths 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. One of the great advantages to us is that it also provides an excellent opportunity to meet our audience 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, 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.



Throughout the year, Manx Radio produced a significant number of large outside broadcasts both on air and with increased online social media coverage reflecting the wide range of events that take 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
- Tynwald Day – Live from St Johns
- The Royal Manx Agricultural Show
- Island At War
- The Press Launch of the Southern 100 – Live from Castletown
- Women Today for Litfest – Village Hall Series
- A number of sponsored Radio Café broadcasts from businesses around the island

What really makes Manx Radio different is the way we embrace our community programming. This is important to us as it keeps audiences up to date and engaged with events and cultural endeavours across our Island. Wherever possible we also further compliment the programming with appropriate blogs, podcasts and online material.

Our prime on air series for reflecting all aspects of Isle of Man culture, history, heritage, arts and community life is our Island Life series, which is transmitted Monday through Friday and it continues to be our opportunity to showcase unique content on air. Programmes cover a range of topics from politics and farming to sport, Manx Gaelic, Arts and Culture. These programmes are increasingly providing further podcasting opportunities for on demand free subscription and additional exclusive audience content, once again all being produced by existing staff and freelance producers without additional resource.

Whilst we continue to produce popular ongoing series such as Countryside and Agenda, we endeavour to refresh the schedule with different short term series in this regular time slot. New programmes to our schedule in 2018/19 included the introduction of 'Bob into Buildings' exploring the architecture and built environment on the island, a series of one off specials, produced in house by members of our news team exploring topics such as the cost of the TT, The Ramsey Marina project, treasure hunters on the island and the issues surrounding mental health.

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.

Easter, Tynwald Day, Hop Tu Naa, Remembrance Day and Christmas are all occasions where we have the opportunity to produce special, one off programming that no other Island provider can.

For Tynwald Day a 50 Years Serving the Island special looking back at Tynwald Millennium Year was produced to accompany the modern day live coverage.

For Hop tu Naa, Beth Espey and Howard Caine produced a special Taa Mee Gindys from the Dalby Hub with a host of guests exploring the myths and mysteries behind the Manx traditional of Hop tu Naa and how it differs from Halloween.

'For the Fallen' was a unique production, commissioned in conjunction with the Isle of Man Arts Council to mark the 100 since the end of the First World War. Originally written and performed for a stage performance on the island, based on original letters to families in Douglas. It was



reworked for radio and formed the centrepiece of our Remembrance Coverage in 2018 along with a special documentary produced by John Moss entitled when the guns fell silent.

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.

All of these unique programmes and documentaries feature heavily in our increasing array of podcasts and especially popular for the on demand audience.

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

• 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)
• Football Focus (during the season)	0.5 hrs
• Manx Gaelic Broadcasting	5.0 hrs
• 50 Years Serving the Island	0.5 hrs

This distinctive series of Manx Radio programmes allow us the opportunity to offer Listen Again and Podcast opportunities online.

Our recent drive to increase podcasts to satisfy the increase audience demand now sees it compliment our linear speech broadcasting with an average of 4-5 hours a week of speech podcasting content.

v. specialist public service broadcasting including religion

Public Service Broadcasting and media provision isn't just about speech but about reflecting the widest choice of musical tastes possible to our audience which 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.

In addition to the more traditional music style programming, we offer a specialist 60s programme every Saturday morning in Carnaby Street with Chris Williams, a Friday night showcase of 70s, 80s & 90s music in Triple Gold with Paul Corkish, a Saturday Night party club programme hosted by Ben Hartley and we offer a strong, weekly focus on local contemporary music, including live sessions with Manx musicians, on the Sunday Soundtrack with Christy DeHaven. Increasingly the content from Sunday Soundtrack has influenced the station's main playlist with Manx contemporary music being incorporated when appropriate.

Christmas 2018 provided us with the opportunity to showcase specially commissioned programming from within our existing team of creatives. 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, Tales from the Tearoom with Judith Ley and Louise Quirk, Derry Kissack in the studio with Jo Pack, Michelle Jamieson at the Musicals, Manx Radio's Festive Bloopers, Dick Whittington – the Back in Time Panto, Merry Movie Music Classics, Woman



on Mann (a new comedy by Rhian Evans), Under the Covers, Youth In Politics (produced by student Castle Rushen student William King), Back at the Big Wheel Blues special along with the annual News Review and Arts and Culture Review of the Year. 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 listeners. During the week we provide Thought for the Day and Just a Minute, plus each Sunday morning there is the regular Praise programme presented by Judith Ley. 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 online blog and social media presence for non linear audiences to engage with.

vi. meeting the station's fm speech quota

The schedule throughout 2018/2019 confirms that Manx Radio's average speech content met the 40% level during the prescribed times laid out in the Station Format.

vii. alternative programming & podcasting

Audience consumption of media is rapidly changing 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.

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.

A large focus of online delivery in the last half of the year has been a focus on podcasting and the website.

Our website received a re-skin and update in Jan 2019 to de-clutter its design, make it more mobile and tablet friendly and to further focus on online content provision in harmony with our smartphone app.

We have dramatically increased our range of podcasts not only produced in-house, but we've started to offer the platform to local groups and organisations as part of furthering our community engagement as the public service broadcaster.

Whereas just over twelve months ago we had four podcasts online, at the end of the financial year we offered in the range of eighteen. We have furthered the reach of these podcasts as we have engaged with Apple and Spotify to ensure that Manx Radio hosted podcasts are now available across all these platforms on a dedicated Manx Radio page and the audience can subscribe to the series for free at the platform of their choosing.

We are already beginning to see the significant signs of increasing access to our podcasts. We intend to continue to offer more home grown content from both Manx Radio and community produced programming in the coming year however current resources do limit our ability to invest further into this market whilst maintaining other core services.

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.



We haven't been able to invest in as much exclusive to video content in the past 12 months as we would have liked due to the lack of resources. However the substantial amount of visualisation content from our radio output 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 Portal.

AM1368 is also utilised to provide an entertainment programme choice for listeners each Monday to Friday, between 0730 and 0830 whilst the FM listeners are able to hear our leading daily news and current affairs programme, Mandate.

The flexibility of a second broadcast channel, 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 time delay of web streaming. The audience are demanding better service and in the short term we address this where we can with limited RSL FM coverage.



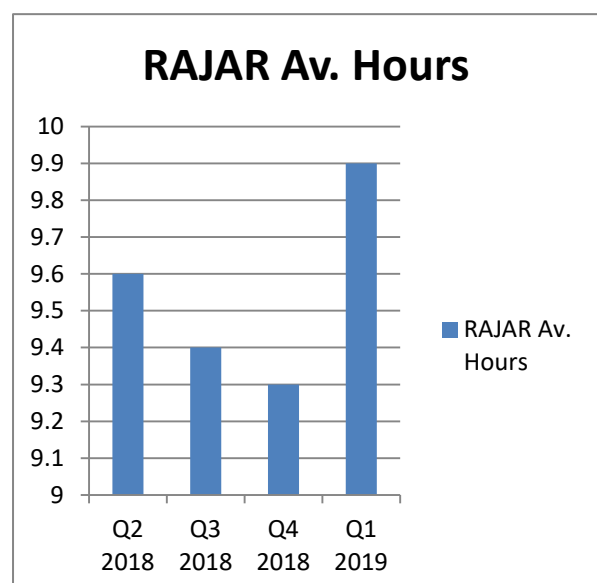
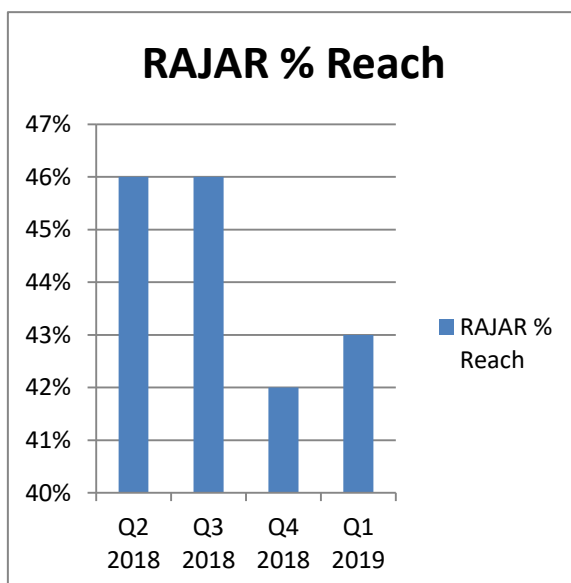
3. audience **research**

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.

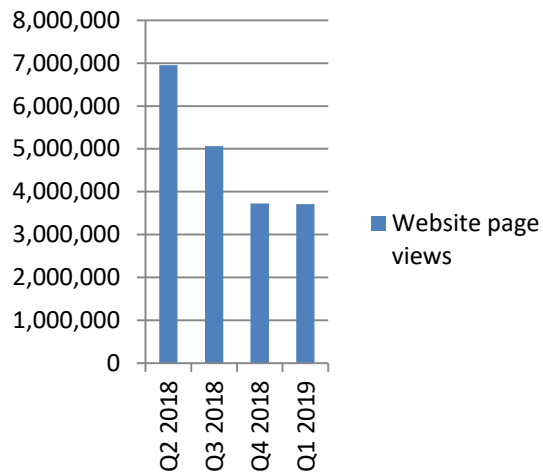
During the last year we acknowledged that whilst radio is still the core of what we do and we would never lose sight of that, as a Public Service Media organisation we needed to place our radio figures into context along with the engagement figures of our content generally. These new figures allow us 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.

Audience Engagement Figures				
Research Period	Q2 2018	Q3 2018	Q4 2018	Q1 2019
RAJAR % Reach	46%	46%	42%	43%
RAJAR Total Reach	32,200	31,700	29,400	30,300
RAJAR Total Hours (000's)	307	298.4	272	300
RAJAR Av. Hours	9.6	9.4	9.3	9.9
Website page views	6,952,062	5,062,229	3,725,082	3,709,256
Facebook Average daily reach	20,534	17,250	14,238	17,903
Twitter Impressions	2,200,000	2,200,000	1,800,000	1,970,000
Total Video Views	1,010,218	640,493	465,234	517,900
Video Minutes Viewed	739,145	579,793	312,934	381,400
Podcast Page Online Visits	4,905	3,154	4,365	8,631
On Demand Requests	36,724	20,090	14,737	11,934

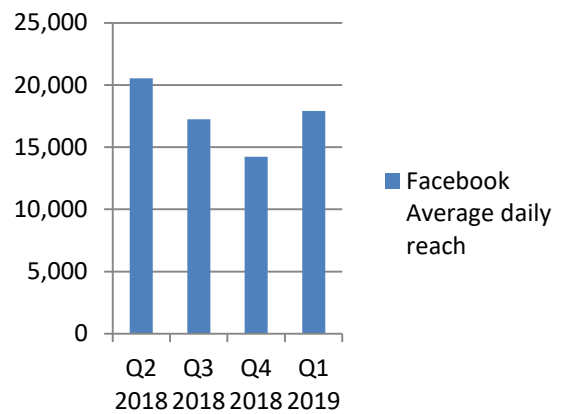
Graphs



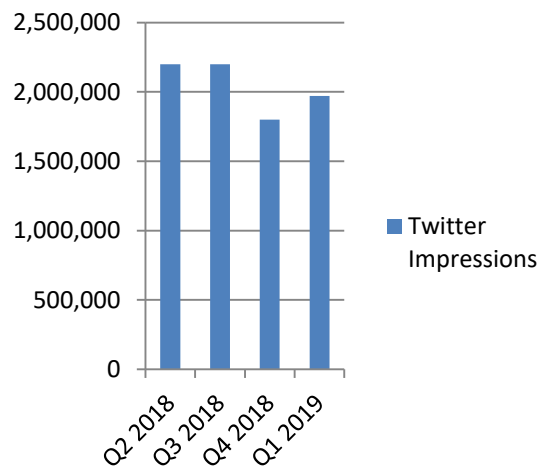
Website page views



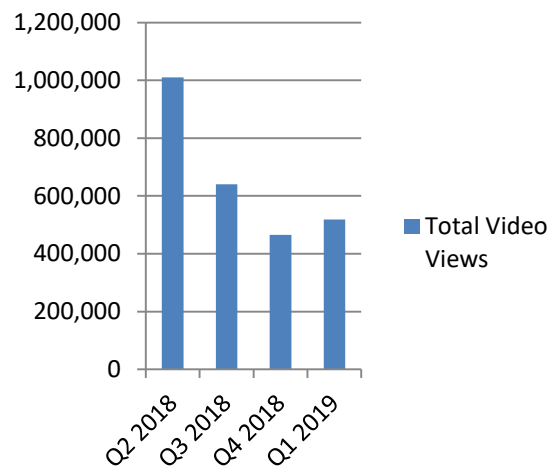
Facebook Average daily reach



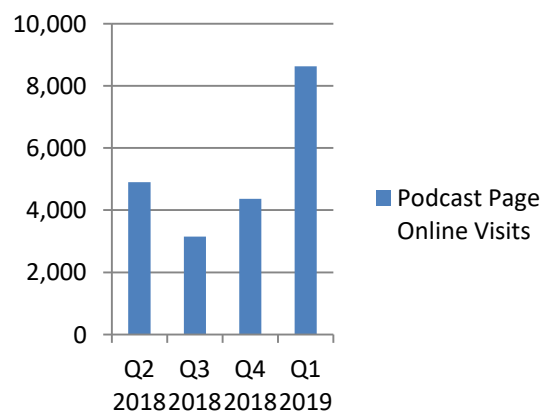
Twitter Impressions



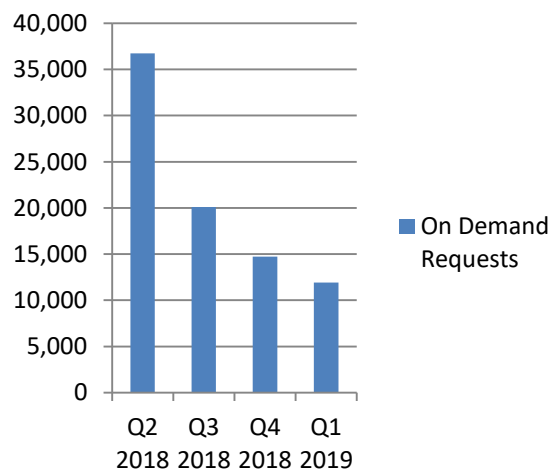
Total Video Views



Podcast Page Online Visits



On Demand Requests



Over recent years, and the last couple in particular, there has been a dramatic change to the way the audience consumes media and Manx Radio's digital content has become hugely important. It enables us to reach new and existing audiences, both at home and further afield, with information and entertainment about the Isle of Man delivered in a timely manner and on a platform of their choice. We no longer operate within a society where the audience play to our tune, as a media provider we must respond to audience demand in terms of providing content when and where they want to consume it.

Since the launch of the station's digital strategy in October 2016, Manx Radio has continued to develop and expand its online offering. Our website manxradio.com and our smartphone apps offer an alternative route to listen to the station's linear audio programming. They also provide users with the ability to listen on-demand to selected programmes, to our increasing number of podcasts (which feature exclusive content) and to visual content – all at a time to suit their own schedule and lifestyles.

Providing high quality and trusted online content and delivering through various platforms, including social media, is crucial to ensuring the island population is engaged in current issues and combats the online pariah of 'fake news' which is permeating society, especially on a small island such as ours.

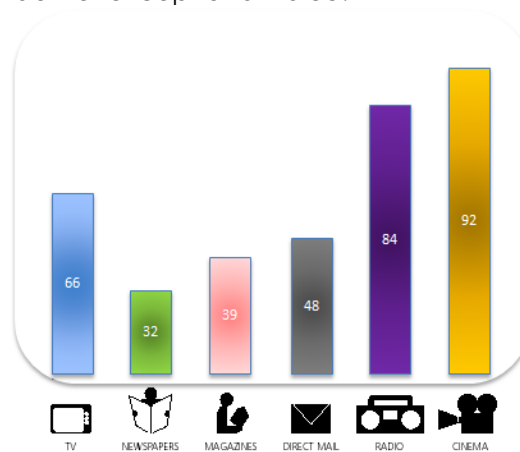


4. commitment to the commercial sector

i. key highlights of the year

Manx Radio performed exceptionally well in the business year 18/19 with a record income for the station from its commercial activities. The results were down to a number of factors, mostly delivering on our promise to the commercial sector in terms of Quality, Service & Price.

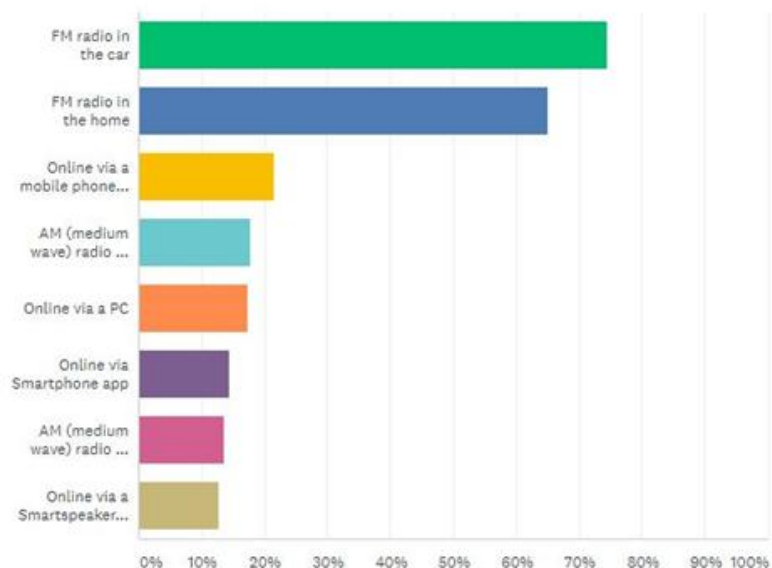
Radio is still the marketing medium with the greatest penetration outside of cinema* and as such delivers a high return on investment for commercial clients. Consumption of radio in the Isle of Man is still highest on FM in vehicles** and advert avoidance is exceptionally low. These factors give commercial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



Source : Interactive Media – Radio Centre

How do you listen to Manx Radio?

Answered: 512 Skipped: 846



amplify business club

The year started well with an excellent turn out and take up to our popular Amplify Business Club product despite the atrocious weather during presentation week. Getting new members to air faster than in previous years was a tactical target post sale's and we achieved our goals in this area.

The management of Amplify throughout the year was given a greater focus under the internal 'Emotional Bank Account' programme. This changed the emphasis on the product to a premium solution for clients. This was compounded with a BIG evening halfway through the year for Amplify members to spend time with our creative team understanding how Radio audio really works.

The whole Amplify programme worked exceptionally well for the members in 2018 / 19 and delivered an 80% pre – order rate for the 19/20 programme.

sponsorship

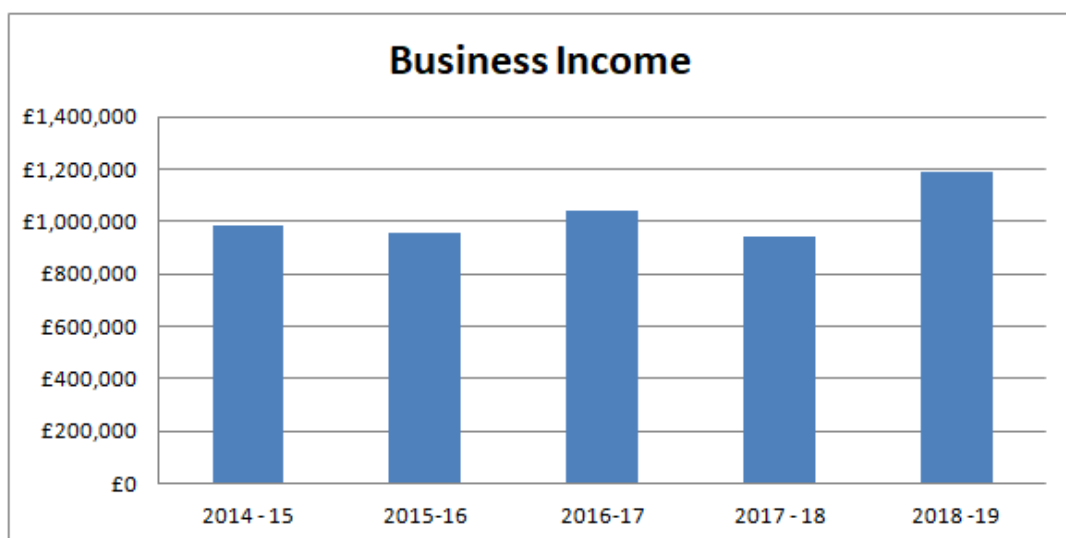
All of Manx Radio's key sponsorship solutions started the year completely sold, giving the station a solid platform for the year. Many of the station's key sponsors are very loyal and long term clients who have experienced first rate response for their business from their investments. Manx Radio's 'creative lead' approach to the market has allowed us to forge these long term relationships and deliver exceptional results.

general airtime sales

Manx Radio performed well in its short and medium term airtime campaign sale across the year. This was somewhat boosted by Jacksons Motor Group, who in turn caused an uplift in spend from quite a few other motor dealers and associated businesses.

exceptional year

It should be noted that this was an exceptional year of trading for the advertising department and they are to be congratulated on their sterling efforts



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 done well to sustain a good commercial offer in a market that has become increasingly diluted with more radio stations, publications and digital offerings

ii. **smart local focus directory**

The product has now returned more than double the original investment and has performed well, even with increasing competition in the on – line space. Providing a platform for Island businesses to support themselves in a space between Social Media and a full blown web site is unique to the station. The whole premise of the Directory being driven by radio differentiates it from increasing competition in the sector. However like all online offers it has high demands on support from both the user and provider. In future we will be looking at how to manage the solution more effectively.

iii. in association programme

Manx Radio has continued to provide events on the Island with marketing support in return for brand recognition. The programme was over - subscribed again in 2018 / 19, however we managed to support 95% of all applications. These included, Southern Show, Royal Show, Villa Marina & Gaiety Theatre, Peel Pantaloons, Groudle Glen Railway, Isle of Man Beer Festival, Blues Festival, Our Island – Our World, Chitty Chitty Bang Bang, and many others.

The Association programme has invested in Island events and activities for the last 13 years and can be seen as making these events even more successful than they might have been. Although the programme does not generate income for the station it keeps Manx Radio at the top of sponsor's minds for the future and provides excellent PR content.

iv. tt

Several meetings were held with DED / DOE through the year regarding the continued contract with Manx Radio and what was required for the TT festival. As the year wore on it was decided that the station would be awarded a one year contract with an increased contribution from Government. The station was still allowed to sell commercial advertising on Radio TT and so the whole event made a significant contribution to the commercial income.

v. **dream catcher** appeal

The Dream Catcher Appeal provided a successful platform for Manx Radio's community development work. Though the efforts of our fundraisers Sophie Leonard Morgan (who was succeeded by Hannah Messham part way through the year) the charity had another successful year. The annual Heroes in the Community ball raised in excess of £10,000 and was supported by a variety of local business.

5. engineering services

i. transmission

Manx Radio continues to believe strongly that radio broadcasting on the Island should be following the UK and introducing a digital platform based on DAB+ technology. An island-wide DAB+ network could reduce transmission costs in the long term for all the Island's broadcasters, while offering improved quality of reception and future opportunities for greater listener choice. Nearly all new cars now have DAB+ radios fitted as standard.

Although Manx Radio has undertaken extensive planning and feasibility work, there has been no tangible progress toward DAB+ over the last year and the Company has had to continue to spend on the aging AM service at the Eairy, Foxdale to ensure the infrastructure remains safe and operational. During 2018 the 24 guys, supporting the two 180 foot tall masts were replaced with a second phase of essential maintenance planned for the summer of 2019. Over the past couple years, the cost of maintaining this legacy technology will have exceeded £90,000. With much of the AM equipment ranging between 30 and over 50 years old, maintaining a reliable service is undoubtedly becoming more challenging.

ii. annual transmission statistics:

	Target	Actual
% 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%
% of continuous AM transmission	99%	99.9%
% of continuous web access	99%	100%

Throughout the year there were a number of planned, short-term reductions in power on the FM network at Carnane and at Jurby as a safety measure during third-party work on the towers. Similarly at Foxdale there were periods of reduced power and some planned outages during mast maintenance work. These periods aside, service continuity for the transmission networks and the website has been maintained at a very high level.

iii. new technologies

Outside Broadcasts remain an essential part of engaging with the community but, as broadcast services evolve to meet the expectation of a diverse audience, through radio and social media platforms, the underlying technologies must also evolve. Live video, alongside broadcast audio, is becoming commonplace. Dual 4G streams, combining the mobile networks of both MT and Sure, is now becoming standard for many smaller OBs. Similar technologies, combining 4G and VDSL links from fixed locations, is also becoming the norm as traditional ISDN is withdrawn by the telecom providers.

While passing live, low-delay audio over contended IP channels has its challenges, leveraging new these new technologies can make outside working easier, quicker and more cost efficient.



iv. broadcasting house

Benefiting from significant investment over the last ten years, much of the core broadcast infrastructure within Broadcasting House, including the studios, backup generator, UPS, etc. is in good condition. However, with some continuing to question if Broadcasting House is the most suitable long-term home for Manx Radio, careful consideration continues to be given into further expenditure within the building. Serious deficiencies remain with staff accommodation, difficult and sometimes unsafe building access and, most importantly, no disabled facilities.

Planning consent to address these longstanding building issues was obtained in 2016 and budget remains in the 'Pink Book', subject to Tynwald approval. While the project is on hold, the project team remain poised to move forward. Manx Radio remain hopeful that agreement can be obtained to progress these much needed works, completing the original plan for Broadcasting House, very soon.

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 2018/19, 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 contribution to Manx Radio commercial revenues.



6. **corporate** governance

The non-executive directors of the company in 2018/19 were:

Bill Mummery - Chairman
Charles Guard
Sally Roberts - Chair of the Audit Committee
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.

For the second year running the work of the Audit Committee has been dominated by the issues of strategic direction and funding which have preoccupied the full board. The improved level of commercial sales income and net profit for the year ended 31 March 2019 has eased the financial position compared with the previous year. A future funding model remains uncertain as a result of the 2018 Tynwald Select Committee's investigation into the future of public service broadcasting. The requirement for the company to submit an operational and funding plan to Tynwald in October 2019 will be an important part of the committee's focus in the coming year.

ii. **remuneration** committee

The Appointments and Remuneration Committee which consists of the company chairman and three non-executive directors met six times in 2018 and once in the first quarter of 2019. The name and function of the former remuneration committee was extended to include the management of senior appointments. Consequently the recruitment of a new managing director to succeed Mr Pugh on his retirement occupied the committee during 2018. The former managing director was secretary to the committee up to his retirement in December 2018. Mr Chris Eaton, who succeeded Mr Pugh as company secretary, became secretary of the committee from the March 2019 meeting.

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 2018-19

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

13 August 2019



89 • 97.2 • 103.7FM and 1368AM



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Radio Manx Limited Directors: D North Chairman • DA Pugh Managing • JN Marsom Business • M Tyley Programming • DS Leeming Technology • CR Guard • MN Grace • Mrs AJ Jones
Registered Number 1486 Isle of Man