



**Unaudited Financial Statements  
Nine Months Ended 31 December 2023**

# Radio Jamaica Limited

**Nine Months Ended 31 December 2023**

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Directors' interim report to Shareholders

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## Radio Jamaica Limited (RJRGLEANER) Report to Stockholders

The directors hereby present the unaudited financial results of the RJRGLEANER Communications Group (the Group) for its third quarter ended December 31, 2023.

The Group recorded a surplus in the third quarter due to higher other income and despite flat revenues that persisted for both the industry and the Group. A pre-tax profit of \$79 million and an after-tax profit of \$56 million was recorded for the quarter, comparing unfavorably with the pre-tax profit of \$382 million and an after-tax profit of \$392 million for the corresponding period last year.

Primary contributors to this quarter's performance, compared to prior year were:

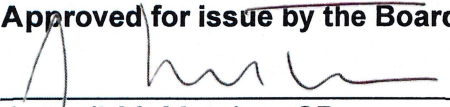
- Group revenues fell by \$40 million dollars (3%), driven mainly by declines in the Print and Other segment, partially offset by increases in the Audio/Visual and Audio segments. The industry and the Group continued to experience softness in the overall advertising market, as a result of prevailing local and global economic conditions.
- Other income increased by \$191 million, arising mainly from revaluation gains in investment properties, and investment income in the current period.
- Direct expenses declined by \$8 million (1%), which was mainly due to savings in the Print segment on newsprint, ink and printing costs, offset partially by an increase in programming costs within our Audio/Television segments aimed at strengthening our brands.
- Selling expenses declined by \$18 million (6%), which was mainly due to lower sales-related costs and reduced revenues.
- Administrative expenses increased by \$50 million (14%), driven primarily by increases in staff welfare, professional fees, and higher depreciation expenses relating to prior investments in infrastructure upgrades and software implementation.

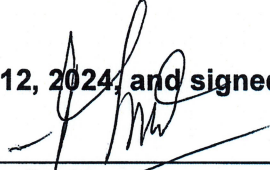
During the period under review, management has continued to focus on cost containment and revenue enhancement measures as well as the development of new revenue streams. These have already started to bear fruit and are expected to provide further returns in future periods. The board and management of the Group have also agreed on a set of strategic imperatives designed to return the Group to sustained profitability. Over the next year and beyond, management will be focused on executing those strategies.

At the same time, the Group's brands remain dominant in their various market segments. The news teams continue to produce engaging content that has seen journalists within the Group receiving several awards locally and regionally. The Group also continues to grow its presence and influence in the digital space already having the most subscribers and engagement on social media of any media group in Jamaica. We are also excited to be on the verge of offering Free To Air digital TV to the Jamaican audience. This will allow us to provide new products to our viewing and listening audiences as well as enhanced opportunities for advertisers.

We thank all our customers, advertisers and clients for their support through their engagement with our digital, print, radio and television services along with our team members for their adaptability and commitment to excellence.

**Approved for issue by the Board of Directors on February 12, 2024, and signed on its behalf by:**

  
\_\_\_\_\_  
Joseph M. Matalon, CD  
Chairman

  
\_\_\_\_\_  
Anthony Smith  
Chief Executive Officer

**Consolidated Statement of Comprehensive Income (Unaudited)  
Nine Months Ended 31 December 2023**

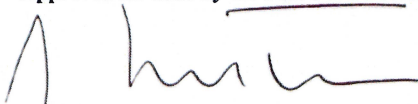
Current Quarter 3 Months to 31/12/23 \$'000	Prior Year Quarter 3 Months to 31/12/22 \$'000	Note	Year-to-Date 9 Months to 31/12/23 \$'000	Prior Year-to-date 9 Months to 31/12/22 \$'000
1,410,380 (616,191)	1,450,533 (624,293)	2	4,139,244 (1,842,744)	4,188,639 (1,840,280)
<b>794,189</b>	<b>826,240</b>		<b>2,296,500</b>	<b>2,348,359</b>
204,216 (266,042)	13,441 (283,909)	3	308,740 (790,852)	109,725 (811,776)
(411,322)	(361,380)		(1,199,557)	(1,038,100)
(221,960)	(243,636)		(617,250)	(692,140)
<b>99,081</b>	<b>(49,244)</b>		<b>(2,419)</b>	<b>(83,932)</b>
(19,871)	(12,606)		(42,587)	(38,036)
-	444,199	9	-	444,199
<b>79,210</b>	<b>382,349</b>		<b>(45,006)</b>	<b>322,231</b>
(22,948)	9,407	4	(1,361)	17,260
<b>56,262</b>	<b>391,756</b>		<b>(46,367)</b>	<b>339,491</b>
14	145		(35)	(3,609)
<b>56,276</b>	<b>391,901</b>		<b>(46,402)</b>	<b>335,882</b>
1.9 cents	12.9 cents	5	(1.5) cents	11.2 cents

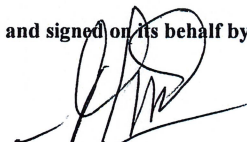
\*\*\* restated prior year from \$434M to \$444M to agree with the audited financials.

**Consolidated Balance Sheet (Unaudited)**  
**Nine Months Ended 31 December 2023**

		Unaudited	Audited
	Note	December 2023 \$'000	March 2023 \$'000
<b>Non-Current Assets</b>			
Fixed assets		3,228,000	3,174,675
Investment properties		263,600	106,876
Intangible assets	6	360,427	402,744
Deferred tax asset		155,151	142,131
Retirement benefit assets	7	93,898	93,898
Investment securities		295,916	283,340
Investments accounted for using the equity method	9	227,813	214,583
		<u>4,624,805</u>	<u>4,418,247</u>
<b>Current Assets</b>			
Inventories		377,511	212,187
Receivables	8	1,293,403	1,077,995
Taxation recoverable		124,958	183,466
Investment securities		336,504	511,709
Cash and short term investments		100,384	317,356
		<u>2,232,761</u>	<u>2,302,713</u>
<b>Current Liabilities</b>			
Payables		1,498,308	1,265,347
Taxation payable		6,175	9,983
		<u>1,504,483</u>	<u>1,275,330</u>
<b>Net Current Assets</b>			
		<u>728,278</u>	<u>1,027,383</u>
		<u>5,353,083</u>	<u>5,445,630</u>
<b>Stockholders' Equity</b>			
Share capital	9	3,603,583	3,603,583
Foreign currency translation	10	(6,593)	(6,558)
Retained earnings		930,587	1,022,073
		<u>4,527,576</u>	<u>4,619,098</u>
Non-controlling Interests		1,948	1,948
<b>Non-Current Liabilities</b>			
Finance lease obligations	11	9,907	4,803
Long term loans	12	503,607	514,705
Deferred tax liabilities		126,590	121,621
Retirement benefit obligations	7	183,455	183,455
		<u>5,353,083</u>	<u>5,445,630</u>

Approved for issue by the Board of Directors on February 12, 2023 and signed on its behalf by:

  
 \_\_\_\_\_  
 Joseph Matalon Chairman

  
 \_\_\_\_\_  
 Anthony Smith Chief Executive Officer

Radio Jamaica Limited

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Consolidated Statement of Changes in Equity (Unaudited)  
Nine Months Ended 31 December 2023

	Number of Shares	Share Capital	Retained Earnings	Foreign Currency Translation	Fair Value Reserve	Equity Owners' Total	Non- controlling Interests Total	Total
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 31 March 2020</b>	2,397,683	2,041,078	278,271	(14,826)	(7,135)	2,297,388	1,948	2,299,336
Total comprehensive income	-	-	223,128	7,951	-	231,079	-	231,079
Transfer to retained earnings	-	-	(7,135)	-	7,135	-	-	-
<b>Balance at 31 March 2021</b>	2,397,683	2,041,078	494,264	(6,875)	-	2,528,467	1,948	2,530,415
Total comprehensive income	-	-	314,694	(6,726)	-	307,968	-	307,968
Ordinary dividends	-	-	(48,449)	-	-	(48,449)	-	(48,449)
<b>Balance at 31 March 2022</b>	2,397,683	2,041,078	760,509	(13,601)	-	2,787,986	1,948	2,789,934
Issue of shares	601,019	1,562,505	-	-	-	1,562,505	-	1,562,505
Total comprehensive income	-	-	310,014	7,043	-	317,057	-	317,057
Ordinary dividends	-	-	(48,450)	-	-	(48,450)	-	(48,450)
<b>Balance at 31 March 2023</b>	2,998,702	3,603,583	1,022,073	(6,558)	-	4,619,098	1,948	4,621,046
Total comprehensive loss	-	-	(46,367)	(35)	-	(46,402)	-	(46,402)
Ordinary dividends	-	-	(45,120)	-	-	(45,120)	-	(45,120)
<b>Balance at 31 December 2023</b>	2,998,702	3,603,583	930,587	(6,593)	-	4,527,576	1,948	4,529,524
<b>Balance at 31 March 2022</b>	2,397,683	2,041,078	760,509	(13,601)	-	2,787,986	1,948	2,789,934
Total comprehensive income	-	-	339,491	(3,609)	-	335,882	-	335,882
Ordinary dividends	-	-	(48,450)	-	-	(48,450)	-	(48,450)
Fair value loss investments	-	-	-	-	(4,138)	(4,138)	-	(4,138)
Issue of shares	601,019	1,562,504	-	-	-	1,562,504	-	1,562,504
<b>Balance at 31 December 2022</b>	2,998,702	3,603,582	1,051,550	(17,210)	(4,138)	4,633,783	1,948	4,635,731

## Consolidated Cash Flow (Unaudited)

Nine Months Ended 31 December 2023

	Unaudited December 2023 \$'000	Unaudited December 2022 \$'000
<b>CASH RESOURCES WERE (USED IN)/PROVIDED BY:</b>		
<b>Operating Activities</b>		
Net Profit	(46,367)	329,118
<b>Items not affecting cash:</b>		
Depreciation and amortisation	270,213	245,888
Loss/(Gain) on disposal of fixed assets	1,988	91
Bargain purchase gain **	-	(444,199)
Interest income	(9,988)	(6,513)
Dividend income	-	(512)
Interest expense	42,588	38,036
Income tax charge	1,361	(17,260)
Exchange gain/(loss) on foreign currency balances	(8,849)	(8,554)
Revaluation of investment securities	-	(799)
	<u>250,946</u>	<u>135,296</u>
<b>Changes in operating assets and liabilities:</b>		
Inventories	(165,324)	(94,750)
Receivables	(213,557)	34,620
Payables	218,961	35,586
	<u>91,026</u>	<u>110,752</u>
Income tax recoverable/(paid)	53,557	(112,348)
<b>Net Cash provided by in operating activities</b>	<b>144,583</b>	<b>(1,596)</b>
<b>Investing Activities</b>		
Proceeds from disposal of fixed assets	3,161	-
Purchase of fixed assets and intangibles	(265,330)	(305,788)
Purchase of investments	-	(6,030)
Cash acquired on amalgamation	-	214,194
Interest received	9,024	5,549
Investments in equity accounting associates	(13,230)	(16,711)
<b>Net Cash used in investing activities</b>	<b>(266,374)</b>	<b>(108,786)</b>
<b>Financing Activities</b>		
Loan received	22,001	150,000
Loans repaid	(33,100)	(176,015)
Principal lease repayments	(5,224)	2,193
Interest paid	(42,588)	(38,036)
Dividends paid	(45,120)	(48,450)
Exchange (losses)/gains on cash and cash equivalents	8,849	8,554
<b>Net Cash used in financing activities</b>	<b>(95,181)</b>	<b>(101,754)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(216,972)</b>	<b>(212,136)</b>
Cash and cash equivalents at beginning of year	<u>317,356</u>	<u>750,871</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>100,384</b>	<b>538,735</b>

**Company Statement of Comprehensive Income (Unaudited)**  
**Nine Months Ended 31 December 2023**

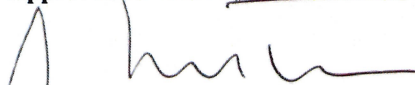
<b>Current 3 Months to 31/12/23</b>	<b>Prior Year 3 Months to 31/12/22</b>		<b>Year-to-Date 9 Months to 31/12/23</b>	<b>Prior Year 9 Months to 31/12/22</b>
<b>\$'000</b>	<b>\$'000</b>		<b>\$'000</b>	<b>\$'000</b>
202,907	187,983	<b>Revenue</b>	565,311	540,902
(72,055)	(68,953)	Direct expenses	(206,000)	(203,960)
<b>130,852</b>	<b>119,030</b>	<b>Gross Profit</b>	<b>359,311</b>	<b>336,942</b>
103,053	8,963	Other income	179,210	45,284
(36,213)	(32,347)	Selling expenses	(105,469)	(91,287)
(87,286)	(89,005)	Administration expenses	(254,474)	(228,892)
(39,268)	(37,247)	Other operating expenses	(102,128)	(99,046)
<b>71,138</b>	<b>(30,606)</b>	<b>Operating Profit</b>	<b>76,450</b>	<b>(36,999)</b>
(5,069)	(4,278)	Finance costs	(14,474)	(9,447)
<b>66,069</b>	<b>(34,884)</b>	<b>Profit before Taxation</b>	<b>61,976</b>	<b>(46,446)</b>
(17,283)	9,249	Taxation	(15,499)	9,960
<b>48,786</b>	<b>(25,635)</b>	<b>Net Profit after taxation</b>	<b>46,477</b>	<b>(36,486)</b>

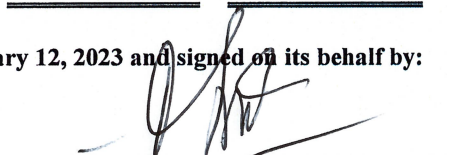


**Company Balance Sheet (Unaudited)**  
**Nine Months Ended 31 December 2023**

	Unaudited	Audited
	December 2023	March 2023
	\$'000	\$'000
<b>Non-Current Assets</b>		
Fixed assets	1,685,433	1,627,618
Investment properties	80,000	27,300
Intangible assets	34,366	48,756
Retirement benefit asset	65,627	65,627
Deferred tax asset	35,523	38,692
Investment in subsidiaries	1,823,676	1,823,676
Investment securities	295,916	283,340
Equity accounted associates	61,049	60,647
	<b>4,081,590</b>	<b>3,975,656</b>
<b>Current Assets</b>		
Inventories	22,857	5,031
Due from subsidiaries	807,659	595,931
Receivables	327,268	223,140
Taxation recoverable	50,416	84,780
Cash and short term investments	42,764	163,164
Investment securities	336,504	511,709
	<b>1,587,469</b>	<b>1,583,755</b>
<b>Current Liabilities</b>		
Payables	496,745	406,934
Due to subsidiaries	284,167	254,589
	<b>780,912</b>	<b>661,523</b>
<b>Net Current Assets</b>	<b>806,557</b>	<b>922,232</b>
	<b>4,888,146</b>	<b>4,897,888</b>
<b>Equity</b>		
Share capital	3,603,583	3,603,583
Retained earnings	716,250	714,893
	<b>4,319,833</b>	<b>4,318,476</b>
<b>Non-Current Liabilities</b>		
Long term loans	503,607	514,705
Retirement benefit obligations	64,707	64,707
	<b>4,888,146</b>	<b>4,897,888</b>

Approved for issue by the Board of Directors on February 12, 2023 and signed on its behalf by:

  
 \_\_\_\_\_  
 Joseph Matalon Chairman

  
 \_\_\_\_\_  
 Anthony Smith Chief Executive Officer

**Company Statement of Changes in Equity (Unaudited)**  
**Nine Months Ended 31 December 2023**

	Attributable to Stockholders of the Company				
	Number of Shares	Share Capital	Fair Value Reserve	Retained Earnings	Total
	'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 31 March 2021</b>	2,397,683	2,041,078	-	353,390	2,394,468
Total comprehensive income	-	-	-	(48,449)	(48,449)
Transfer to retained earnings	-	-	-	(11,491)	(11,491)
<b>Balance at 31 March 2022</b>	<b>2,397,683</b>	<b>2,041,078</b>	-	<b>293,450</b>	<b>2,334,528</b>
Total comprehensive income	-	-	-	469,893	469,893
Issue of shares	601,019	1,562,505	-	-	1,562,505
Ordinary dividends	-	-	-	(48,450)	(48,450)
<b>Balance at 31 March 2023</b>	<b>2,998,702</b>	<b>3,603,583</b>	-	<b>714,893</b>	<b>4,318,476</b>
Ordinary dividends	-	-	-	(45,120)	(45,120)
Total comprehensive income	-	-	-	46,477	46,477
<b>Balance at 31 December 2023</b>	<b>2,998,702</b>	<b>3,603,583</b>	-	<b>716,250</b>	<b>4,319,833</b>
<b>Balance at 31 March 2022</b>	<b>2,397,683</b>	<b>2,041,078</b>	-	<b>293,450</b>	<b>2,334,528</b>
Total comprehensive income	-	-	-	(36,486)	(36,486)
Ordinary dividends	-	-	-	(48,450)	(48,450)
Fair value loss investments	-	-	(4,138)	-	(4,138)
Issue of shares	601,019	1,562,504	-	-	1,562,504
<b>Balance at 31 December 2022</b>	<b>2,998,702</b>	<b>3,603,582</b>	<b>(4,138)</b>	<b>208,514</b>	<b>3,807,959</b>

## Company Cash Flow (Unaudited)

Nine Months Ended 31 December 2023

	Unaudited December 2023 \$'000	Unaudited December 2022 \$'000
<b>Cash Flows from Operating Activities</b>		
<b>Operating Activities</b>		
Net Profit	46,477	(36,485)
<b>Items not affecting cash:</b>		
Depreciation and amortisation	49,739	34,679
Gain on disposal of fixed assets	1	1,032
Dividend income	-	(512)
Interest income	(9,017)	(5,549)
Interest expense	14,473	9,446
Income tax	15,498	(9,961)
Exchange (gains)/loss on foreign currency balances	750	(7,069)
Revaluation of investment securities	-	(799)
	<u>117,921</u>	<u>(15,218)</u>
<b>Changes in operating assets and liabilities:</b>		
Inventories	(17,826)	(18,142)
Due from/to subsidiaries	(182,150)	(116,512)
Receivables	(104,128)	(14,398)
Payables	89,811	89,539
	<u>(96,372)</u>	<u>(74,731)</u>
Income tax recoverable	31,195	(13,658)
	<u>(65,177)</u>	<u>(88,389)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from disposal of fixed assets	1	-
Purchase of investments	(12,576)	(6,030)
Purchase of fixed assets	(47,595)	(106,077)
Proceeds from disposal of investment securities	65,923	-
Investment in equity accounted associate	(402)	-
Interest received	9,017	5,549
Cash acquired on amalgamation		
	<u>14,368</u>	<u>(106,558)</u>
<b>Cash Flows from Financing Activities</b>		
Loan received	22,001	150,000
Loans repaid	(31,249)	(168,760)
Interest paid	(14,473)	(9,446)
Dividends paid	(45,120)	(48,450)
Exchange gains/(losses) on cash and cash equivalents	(750)	7,069
	<u>(69,591)</u>	<u>(69,587)</u>
<b>Net cash provided by/(used in) financing activities</b>	<u>(69,591)</u>	<u>(69,587)</u>
<b>Decrease in cash and cash equivalents</b>	<b>(120,400)</b>	<b>(264,534)</b>
Cash and cash equivalents at beginning of year	163,164	436,535
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<u><u>42,764</u></u>	<u><u>172,001</u></u>

**Segment Report (Unaudited)**  
**Nine Months Ending 31 December 2023**

	<b>Audio Visual</b>	<b>Audio</b>	<b>Print &amp; Others</b>	<b>Sub-total</b>	<b>Eliminations</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>DECEMBER 2023</b>						
Revenues	1,862,784	639,073	1,737,535	4,239,391	(100,146)	4,139,244
Operating profit/(loss)	9,091	51,041	(51,494)	8,638	(11,056)	(2,419)
Assets	2,967,985	5,680,236	1,240,985	9,889,206	(3,031,641)	6,857,566
Liabilities	1,376,574	1,349,192	1,038,318	3,764,084	(1,436,043)	2,328,042
Capital expenditure	95,472	47,595	117,577	260,643	-	260,643
Depreciation & amortisation	125,222	49,739	84,198	259,159	18,144	277,303
Finance costs	19,236	14,618	8,734	42,588	-	42,588
<b>DECEMBER 2022</b>						
Revenues	1,857,254	620,298	1,813,695	4,291,247	(102,607)	4,188,639
Operating Profit/(Loss)	86,194	(52,095)	(99,884)	(65,785)	(18,146)	(83,931)
Assets	2,775,360	5,215,597	1,253,256	9,244,214	(2,204,269)	7,039,945
Liabilities	1,229,426	1,322,380	821,542	3,373,348	(958,763)	2,414,585
Capital expenditure	142,895	108,654	54,240	305,789	-	305,789
Depreciation & amortisation	119,025	34,679	74,040	227,744	18,144	245,888
Finance costs	19,428	10,129	8,479	38,036	-	38,036

**Notes to the financial statements**  
**Nine Months Ended 31 December 2023**

**NOTES**

1. This condensed consolidated interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last audited annual consolidated financial statements as at and for the year ended March 31, 2023. The accounting policies followed in the interim financial statements are consistent with the most recent annual report.
2. Revenue comprises the sale of airtime, programme material, web hosting fees, digital advertising, print advertising, print copy sales, subscriptions, pay-per-view services and the rental of studios and equipment, net of General Consumption Tax. Revenue in respect of airtime and programming is recognised on performance of the underlying service. Subscription revenue is recognised over the life of the subscription.
3. Other income represents interest income, library sales, net foreign exchange (losses)/gains, profit/(loss) on sale of fixed assets, net unrealised gains on revaluation of investment securities and investment properties classified at fair value through profit and loss, "Cross Country" revenues, compensation for damages and rental income.
4. Taxation expense in the statement of comprehensive income comprises current and deferred tax amounts. Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that are in effect at the reporting date.

Deferred tax is tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

5. Earnings per ordinary stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue during the year. The weighted average number of ordinary stock units of 2,397,683,077 were increased by 601,019,187 shares relating to the issue of shares to 1834 shareholders.
6. Intangible assets represent Goodwill, Broadcast Rights, Computer Software, Brand. Goodwill, Brand arose on the acquisition of The Gleaner Company (Media) Limited. Brand is amortised over its estimated useful life.
7. Retirement benefits  
  
The Group sponsors two pension schemes:-
  1. A defined benefit pension scheme covering all qualifying permanent employees of Radio Jamaica Limited, Multi-Media Jamaica Limited and Television Jamaica Limited is operated as the RJR Staff Pension Scheme. This scheme is managed by Proven Wealth Management Limited and by Trustees.
  2. A defined contribution pension fund covering all qualifying permanent employees of The Gleaner Company (Media) Limited and Independent Radio Company Limited who have satisfied certain minimum service requirements. The fund is managed and administered by JN Fund Managers Limited and by Trustees.
8. The category Receivables consists of trade receivables, prepayments and other receivables.
9. In the amalgamation of 1834 Investments, 601,019,187 additional shares were issued by Radio Jamaica Limited to the 1834 shareholders. Share capital represents authorised number of shares of 3,633,781,481; issued and fully paid shares of 3,023,506,841 (2,422,487,654 March 2023).
10. Foreign currency translation reserves materially represent foreign exchange adjustments arising on the translation of foreign subsidiaries for consolidation purposes.
11. The Group entered into finance lease arrangements for the acquisition of motor vehicles and transmission equipment. The Group's obligation under these leases has been recorded at amounts equal to the present value of future lease payments using interest rates implicit in the leases.
12. The Long term loans are secured and unsecured, repayable on a monthly basis.