

9. Property, plant and equipment

	Freehold land and building £m	Fixtures, fittings and equipment £m	Assets under construction £m	Total £m
Cost or valuation				
At 1 January 2021	96	42	1	139
Additions	2	6	1	9
Revaluation	-	-	-	-
At 31 December 2021	98	48	2	148
At 1 January 2022	98	48	2	148
Additions	9	2	4	15
Revaluation	(17)	-	-	(17)
At 31 December 2022	90	50	6	146
Depreciation				
At 1 January 2021	-	33	-	33
Charge for the year	2	4	-	6
Revaluation	(2)	-	-	(2)
At 31 December 2021	-	37	-	37
At 1 January 2022	-	37	-	37
Charge for the year	2	4	-	6
Revaluation	(2)	-	-	(2)
At 31 December 2022	-	41	-	41
Net book value				
At 1 January 2022	98	11	2	111
At 31 December 2022	90	9	6	105
At 1 January 2021	96	9	1	106
At 31 December 2021	98	11	2	111

The Group had committed £7 million for expenditure on property, plant and equipment at the balance sheet date (2021: £5 million). No assets have been pledged for security (2021: none).

Valuation of freehold property

The freehold property at 124 Horseferry Road, London SW1P 2TX was valued at 31 December 2022 by independent valuers CBRE Limited, in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. CBRE Limited has appropriate qualifications and recent experience in the fair value measurement of properties in the relevant location. The property was valued on the basis of open market value, which the Members believe approximates to current value. In reaching their conclusions, the valuers have paid attention to comparable transactions which have taken place in recent months within the Victoria area of London. They have also taken into account ongoing repair work to the building in arriving at their valuation.

The open market value for this property was £90 million (2021: £98 million). After additions made to the building during 2022 and depreciation charged on the open market value at 31 December 2022 (£2 million), a loss on revaluation of £15 million has been recognised in the statement of other comprehensive income (2021: gain on revaluation of £2 million).

If freehold property had not been revalued it would have been included in the financial statements at the following amounts:

	2022 £m	2021 £m
Cost	88	86
Additions	9	2
Transfers	-	-
Accumulated depreciation	(45)	(43)
Impairment	(6)	(6)
Net book value based on cost	46	39

Notes to the consolidated financial statements **cont.**

9. Property, plant and equipment continued

Post balance sheet events

On 28 March 2023, following the year end date, Historic England announced that the property at 124 Horseferry Road had been awarded Grade II listed status. This announcement does not impact the valuation of the property as at the 2022 year end; the property will be revalued based on third party valuation in December 2023 in line with the normal revaluation cycle.

10. Intangible assets

	Goodwill £m	Developed software £m	Broadcasting licence £m	Software under construction £m	Network distribution rights £m	Brands £m	Total £m
Cost							
At 1 January 2021	2	23	5	1	27	1	59
Additions	-	-	-	3	-	-	3
Transfer	-	1	-	(1)	-	-	-
Disposal	-	(1)	-	-	-	-	(1)
At 31 December 2021	2	23	5	3	27	1	61
At 1 January 2022							
At 1 January 2022	2	23	5	3	27	1	61
Additions	-	6	-	3	-	-	9
Transfer	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
At 31 December 2022	2	29	5	6	27	1	70
Amortisation							
At 1 January 2021	-	22	5	-	4	-	31
Amortisation for the year	-	-	-	-	2	-	2
At 31 December 2021	-	22	5	-	6	-	33
At 1 January 2022	-	22	5	-	6	-	33
Amortisation for the year	-	-	-	-	2	-	2
At 31 December 2022	-	22	5	-	8	-	35
Carrying amount							
At 1 January 2022	2	1	-	3	21	1	28
At 31 December 2022	2	7	-	6	19	1	35
At 1 January 2021	2	1	-	1	23	1	28
At 31 December 2021	2	1	-	3	21	1	28

Goodwill represents goodwill arising on the acquisition of Global Series Network Limited ('GSN') on 30 July 2015. GSN holds the rights to the Walter Presents foreign language content transmitted across the Channel 4 portfolio.

Developed software represents amounts capitalised on internally developed computer software, principally in relation to the management of advertising and sponsorship revenues, and programme scheduling applications meeting the recognition criteria for internally generated intangible assets.

The network distribution rights and brands arose during 2018 on the acquisition of Box Plus Network Limited ('Box').