

# Mediahuis UK Group Ltd

Directors' report and financial statements

Year ended 31 December 2022

**Registered number: 00983376**



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# Mediahuis UK Group Ltd

## Directors' report and financial statements

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# Mediahuis UK Group Ltd

## Directors and other information

<b>Directors</b>	S. Harton R. Gray
<b>Secretary</b>	R. Gray
<b>Registered office</b>	c/o Alexander Reece Thomson LLP The White House 26 Mortimer Street London
<b>Independent auditor</b>	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2 Ireland
<b>Bankers</b>	BNP Paribas, Dublin Branch 3 Arkle Road Sandford Dublin D18T6t7
<b>Registered number</b>	00983376

# Mediahuis UK Group Ltd

## Directors' report

The directors present their directors' report and the audited financial statements of Mediahuis UK Group Ltd ("the Company") for the year ended 31 December 2022.

### Principal activities

The principal activity during the year was that of investment holding.

### Results and dividends

The loss for the year, after taxation, amounted to £61,255,000 (2021: loss of £630,000).

The directors do not recommend the payment of a dividend (2021: £Nil).

### Going concern

This financial information has been prepared on the going concern basis, which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future.

The company is currently in a net liabilities position of £246m.

The Company's intermediate parent undertaking, Mediahuis Communications (International) Limited, has confirmed that it will provide the finance necessary to enable the Company to trade at its projected level of operation for a period of at least twelve months from the date that these financial statements are approved.

### Directors

The names of the persons who were directors during the year are set out below. Except where indicated, they served as directors for the entire year:

S. Harton  
R. Gray

### Strategic report

The directors have availed of the small companies exemption provided by Section 414B of the Companies Act 2006 and have not presented a separate strategic report.

# Mediahuis UK Group Ltd

## Directors' report *(continued)*

### Disclosure of information to auditor

Each of the persons who are directors at the time of approval of this report has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

### Political contributions

The Company made no political contributions or incurred any political expenditure during the current or prior year.


### Subsequent events

Information in respect of subsequent events is contained in note 14.

### Independent auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board

DocuSigned by:  
  
DDC756B5C4A84DF...

R. Gray  
Director

29 September 2023

c/o Alexander Reece  
Thomson LLP  
The White House  
26 Mortimer Street  
London

# Mediahuis UK Group Ltd

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.


Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 *Reduced Disclosure Framework*.

Under Company law the directors must not approve the financial statements unless they are satisfied that they 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board

DocuSigned by:  
  
DOC295B5C4A84DF  
R. Gray  
Director

29 September 2023



KPMG  
Audit  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## Independent auditor's report to the members of Mediahuis UK Group Ltd

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Mediahuis UK Group Ltd ("the Company") for the year ended 31 December 2022 set out on pages 10 to 20, which comprise the statement of profit or loss account and other comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 *Reduced Disclosure Framework*.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework* issued by the UK's Financial Reporting Council; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. 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 are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **Independent auditor's report to the members of Mediahuis UK Group Ltd** *(continued)*

### **Report on the audit of the financial statements** *(continued)*

#### **Conclusions relating to going concern** *(continued)*

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

#### **Detecting Irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board/audit committee minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. On this audit we do not believe there is a fraud risk related to revenue recognition.





**Independent auditor's report to the members of Mediahuis UK Group Ltd**  
*(continued)*

**Report on the audit of the financial statements** *(continued)*

***Detecting irregularities including fraud (continued)***

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

***Opinions on other matters prescribed by the Companies Act 2006***

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.



**Independent auditor's report to the members of Mediahuis UK Group Ltd**  
*(continued)*

**Report on the audit of the financial statements** *(continued)*

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report

We have nothing to report in these respects.

**Respective responsibilities and restrictions on use**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**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, other irregularities or error, and to issue an opinion in an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities 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.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



**Independent auditor's report to the members of Mediahuis UK Group Ltd**  
*(continued)*

**Report on the audit of the financial statements** *(continued)*

***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Eamon Dillon*

29 September 2023

**Eamon Dillon (Senior Statutory Auditor)**  
**for and on behalf of KPMG Statutory Auditor**  
*Chartered Accountants*  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

## Mediahuis UK Group Ltd

### Statement of profit or loss account and other comprehensive income for the year ended 31 December 2022

	<i>Note</i>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Operating profit</b>	<b>2</b>	<b>-</b>	<b>-</b>
Interest payable and similar charges	4	(473)	(630)
		<hr/>	<hr/>
<b>Loss from operations</b>		<b>(473)</b>	<b>(630)</b>
Dividend received from subsidiary		11,575	
Investment result		(72,357)	0
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		<b>(61,255)</b>	<b>(630)</b>
Taxation on loss on ordinary activities		-	-
		<hr/>	<hr/>
<b>Loss for the financial year</b>	<b>5</b>	<b>(61,255)</b>	<b>(630)</b>
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>		<b>(61,255)</b>	<b>(630)</b>
		<hr/>	<hr/>

The notes on pages 13 to 20 form an integral part of the financial statements.

All activities relate to continuing operations.

# Mediahuis UK Group Ltd

## Balance sheet

as at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Financial assets	6	0	50
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	4,406	66,069
		4,406	66,069
Creditors: amounts falling due within one year	8	(250,187)	(250,645)
<b>Net current liabilities</b>		<b>(245,781)</b>	<b>(184,576)</b>
<b>Net liabilities</b>		<b>(245,781)</b>	<b>(184,526)</b>
<b>Capital and reserves</b>			
Called up share capital	9	328,900	328,900
Share premium account		8	8
Retained deficit		(574,689)	(513,434)
<b>Shareholders' deficit</b>		<b>(245,781)</b>	<b>(184,526)</b>

The notes on pages 13 to 20 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 29 September 2023 and were signed on its behalf by:

DocuSigned by:

Richard Gray

DDC79585C4A84DF

R. Gray  
Director

Registered number: 00983376

## Mediahuis UK Group Ltd

### Statement of changes in equity for the year ended 31 December 2022

	Called up share capital £'000	Share premium account £'000	Retained deficit £'000	Total equity £'000
<b>Balance at 27 December 2020</b>	328,900	8	(512,804)	(183,896)
<b>Total comprehensive loss for the year</b>				
Loss for the year	-	-	(630)	(630)
<b>Total comprehensive loss for the year</b>	-	-	(630)	(630)
<b>Balance at 31 December 2021</b>	328,900	8	(513,434)	(184,526)
<b>Total comprehensive loss for the year</b>				
Loss for the year	-	-	(61,255)	(61,255)
<b>Total comprehensive loss for the year</b>				
<b>Balance at 31 December 2022</b>	328,900	8	(574,689)	(245,781)

The notes on pages 13 to 20 form an integral part of these financial statements.

# Mediahuis UK Group Ltd

## Notes

*forming part of the financial statements*

### 1 Accounting policies

Mediahuis UK Group Ltd ("the Company") is a private company incorporated, domiciled and registered in England/Wales in the UK. The registered number is 00983376 and registered address is 26 Mortimer Street, The White House, London, W1W 7RB.

#### 1.1 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs") and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's holding undertaking, Mediahuis NV includes Mediahuis Ireland Group Ltd in its consolidated financial statements. The consolidated financial statements of Mediahuis NV are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available on the National Bank of Belgium website [www.nbb.be](http://www.nbb.be).

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Mediahuis NV include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

#### ***Change in accounting policy/prior period adjustment***

- The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.2 Basis of preparation of the financial statements

##### ***Functional currency***

The Company's financial statements are denominated in pound sterling which is its functional currency. Unless otherwise stated, all amounts have been rounded to the nearest £1,000.

##### ***Basis of measurement***

The financial statements have been prepared on the historical cost basis.

# Mediahuis UK Group Ltd

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### 1.2 Basis of preparation of the financial statements *(continued)*

##### ***Judgements, estimates and assumptions***

The preparation of financial statements in accordance with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which are the basis of making the judgement about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### 1.3 Going concern

This financial information has been prepared on the going concern basis, despite the Company having net liabilities of £246m which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future.

The Company's parent undertaking, Mediahuis Communications (International) Limited, has confirmed that it will not request repayment of the intercompany balances for a period of at least twelve months from the date these financial statements are approved to ensure the Company can continue to trade.

The Mediahuis Ireland group, of which the Company is a member, remains both profitable and cash generative and has taken various actions to offset the adverse impact of the pandemic on the Group's business.

The Independent News & Media Group, of which the Company is a member, has already taken various actions to secure the business of the Group including:

- a) Employee Health & Safety Plan;
- b) Forecasted cash inflows and outflows for the upcoming 12 months;
- c) Cost cutting measures such as adjustments to paginations, reallocation of distribution schedules, removal of discretionary spend and appropriate renegotiations with suppliers.

The directors, having made enquiries, believe that the Company has adequate resources to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.



# Mediahuis UK Group Ltd

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.4 Financial assets

##### *Non-derivative financial assets*

Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there is a measurable decrease in expected cash flows from a group of financial assets.

##### *Financial assets measured at amortised cost*

The Company considers evidence of impairment for these assets at both an individual asset and at a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified.

Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics. In assessing

collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

#### 1.5 Taxation

Income tax comprises the sum of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or item recognised directly in equity or in other comprehensive income.

Current tax is based on taxable profit for the year and any adjustments in respect of previous years. It is measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences that exist at the reporting date. A temporary difference is a difference arising between the tax base of all assets (except goodwill) and liabilities and their carrying amounts in the financial statements. However, if the temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not recognised.

# Mediahuis UK Group Ltd

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### 1.5 Taxation *(continued)*

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, joint arrangements and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

#### **Group relief**

Payments receivable in respect of tax losses surrendered as group relief are recognised in the year the losses are surrendered.

Unrealised tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities and other future taxable profits.

#### 1.6 Basic financial instruments

The Company classifies non-derivative financial assets as loans and receivables and non-derivative financial liabilities as trade creditors.

#### ***Non-derivative financial assets and financial liabilities - recognition and derecognition***

The Company initially recognises loans and receivables on the date when they are originated. All loans and receivables and other financial liabilities are initially recognised on the trade date when the Company becomes a party to the contractual provisions of the instruments.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in profit or loss. The Group and the Company derecognise a financial liability when their contractual obligations are discharged or cancelled or expired.

Financial assets and financial liabilities are offset, and the net amount presented in these separate statements of financial position when, and only when, the Company has a currently enforceable legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

# Mediahuis UK Group Ltd

## Notes (continued)

### 1 Accounting policies (continued)

#### **Non-derivative financial assets - measurement**

##### *Loans and receivables*

These assets are initially recognised at fair value plus any directly attributable transactions costs.

Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Loans and receivables comprise of cash and cash equivalents and trade and other receivables.

#### **1.7 Expenses**

##### **Interest payable**

Interest payable and similar expenses include interest payable, finance expense on shares classified as liabilities and net foreign exchange losses that are recognised in the profit and loss account.

#### **1.8 Foreign currencies**

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### **1.9 Dividend income**

Dividend income is recognised when the right to receive payment is established.

#### **1.10 Investments in subsidiaries**

Investments in subsidiaries are carried at cost less accumulated impairment losses.

### 2 Operating (loss)/profit

Auditor's remuneration was borne by the parent company in 2022 and 2021.

### 3 Directors' emoluments and employees

The Company has no employees other than the directors, who did not receive any remuneration during the year (2021: £Nil).

# Mediahuis UK Group Ltd

## Notes (continued)

<b>4</b>	<b>Interest payable and similar charges</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
	On loans from group undertakings	<b>473</b>	<b>630</b>
		<b>473</b>	<b>630</b>

<b>5</b>	<b>Tax on (loss)/profit on ordinary activities</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
	UK corporation tax charge on loss for the year	<b>-</b>	<b>-</b>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: *higher than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	<b>2022 £'000</b>	<b>2021 £'000</b>
Loss on ordinary activities before tax	<b>(61,255)</b>	<b>(630)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	<b>(11,638)</b>	<b>(120)</b>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	<b>9,519</b>	<b>-</b>
Deferred tax not recognised	<b>-</b>	<b>-</b>
Group relief	<b>2,119</b>	<b>120</b>
<b>Tax charge for the year</b>	<b>-</b>	<b>-</b>

No deferred tax was recognised at 31 December 2022 (2021: *£Nil*) on the basis that there is insufficient evidence of suitable taxable profits against which the tax losses can be offset against. The Company has a total potential deferred tax asset of £10.4m (2021: *£10.3m*).

# Mediahuis UK Group Ltd

## Notes (continued)

### 6 Financial assets

#### Investments in subsidiary companies £'000

Carrying amount at beginning of the year	50
Impairment during the year	(50)
	<hr/>
<b>Carrying amount at the end of the year</b>	<b>0</b>
	<hr/>

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding 2022	Holding 2021
Mediahuis UK Ltd <sup>1</sup>	Ordinary	100%	100%
Mediahuis UK Finance PLC <sup>1*</sup>	Ordinary	100%	100%
Belfast Telegraph Newspapers Ltd <sup>2*</sup>	Ordinary	100%	100%
Belfast Telegraph Pension Trustees Ltd <sup>1*</sup>	Ordinary	0%	100%

The registered office addresses are:

<sup>1</sup> The White House, 26 Mortimer Street, London, W1W 7RB

<sup>2</sup> 33 Clarendon Road, Clarendon Dock, Belfast, Northern Ireland, BT1 3BG

\*Direct holdings

The directors are of the opinion that the values of the investments in subsidiaries are not less than their book values.

Consolidated accounts are not submitted in accordance with Section 400 of the Companies Act 2006 as the Company is a wholly-owned subsidiary of Mediahuis NV, a company incorporated in Belgium.

The directors believe that the carrying amount of the investments is supported by their underlying net assets.

### 7 Debtors

	2022 £'000	2021 £'000
<i>Due within one year</i>		
Amounts owed by Group undertakings	4,406	66,069
	<hr/>	<hr/>
	<b>4,406</b>	<b>66,069</b>
	<hr/>	<hr/>

Amounts due from the intermediate parent company are interest free, unsecured and repayable on demand.

# Mediahuis UK Group Ltd

## Notes (continued)

8 Creditors: amounts falling due within one year	2022 £'000	2021 £'000
Amounts owed to group undertakings	250,187	250,645
	<u>250,187</u>	<u>250,645</u>

Amounts owed to fellow subsidiary companies are interest free, unsecured and repayable on demand.

9 Share capital	2022 £'000	2021 £'000
<i>Allotted, called up and fully paid</i> 328,900,000 ordinary shares of £1 each	328,900	328,900
	<u>328,900</u>	<u>328,900</u>

## 10 Contingent liabilities

The Company had no material contingent liabilities as at 31 December 2022 (2021: £Nil).

## 11 Capital commitments

The Company had no capital commitments as at 31 December 2022 (2021: £Nil).

## 12 Ultimate parent undertaking and controlling party

The immediate parent company is Mediahuis Communications (International) Limited, and the ultimate parent of the Company is now Mediahuis NV.

The Company's ultimate parent undertaking, Mediahuis NV, includes the Company in its consolidated financial statements. The consolidated financial statements of Mediahuis NV are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are appended to the annual return of the Company which is available in the Companies Registration Office in the Republic of Ireland and on the National Bank of Belgium website [www.nbb.be](http://www.nbb.be)

## 13 Related party transactions

The Company has availed of the exemptions available in FRS 101 from disclosing transactions entered into between two or more members of a group and also key management personnel compensation disclosures. There were no other related party transactions.

## 14 Subsequent events

There are no subsequent events requiring disclosure.