

Registration number: 1163844

# DMGI Land & Property Europe Ltd

Annual Report and Financial Statements

for the Year Ended 30 September 2021



# **DMGI Land & Property Europe Ltd**

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# **DMGI Land & Property Europe Ltd**

## **Company Information**

**Directors** P Zwillenberg  
S Stout  
S Brown  
M Johnston

**Company secretary** M Teague

**Registered office** 5-7 Abbey Court  
Eagle Way  
Sowton Industrial Estate  
Exeter  
EX2 7HY

**Independent auditors** PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Temple Quay  
Bristol  
BS2 0FR

# **DMGI Land & Property Europe Ltd**

## **Strategic Report for the Year Ended 30 September 2021**

The directors present their strategic report for the year ended 30 September 2021.

### **Introduction and strategy**

DMGI Land & Property Europe Ltd is a holding company for certain business information activities of the Daily Mail and General Trust plc (DMGT) Group. These activities are an integral part of the group strategy and this is not expected to change in the foreseeable future.

### **Operating and business review**

The company has an operating profit of £26,587 (2020: £278,421 loss) and a profit before taxation of £210,544,533 (2020: £157,976 loss). The company does not trade, the result for the current year is primarily due to a dividend received of £215,363,716 and the prior year losses relate mainly to acquisition costs of investments. The net assets of the company have reduced to £198,865,705 (2020 £215,215,168) following the payment of a £226,900,000 (2020: £nil) dividend.

In the previous financial year the Company acquired the OneSearch Direct Holdings Ltd group of companies for £4,947,261. During the current year the ownership of OneSearch Direct Ltd was purchased from OneSearch Direct Holdings Ltd by DMGI Land & Property Europe Ltd for £4,947,261. The retained reserves of OneSearch Direct Holdings Ltd has been distributed to DMGI Land & Property Europe Ltd in a £6,893,828 dividend. This has resulted in a £4,947,260 provision against the investment in OneSearch Direct Holdings Ltd.

### **Key performance indicators**

The company is a wholly owned subsidiary of DMGT and operates as part of the group's business-to-business information division.

The DMGT Group manages its operations on a divisional basis. For this reason the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Property Information division, which includes DMGI Land & Property Europe Ltd, is discussed in the group's Annual Report which does not form part of this report.

### **Principal risks and uncertainties**

#### **Financial risks**

The company's activity as a holding company exposes it to a number of financial risks, the most significant of which is the possible impairment in the carrying value of its investments. These carrying values are reviewed by management every six months and are compared to future discounted cash flows from the various business units. Credit risk, cash flow risk and liquidity risk do not present significant issues as the company does not trade or have meaningful cash flow and movements in its intercompany balances are usually offset between group companies.

#### **Business continuity**

The Company's subsidiaries have implemented a number of operational actions designed to preserve liquidity and reduce costs in response to COVID-19 including a salary substitution plan, although the Group have not taken any government financial support and no employees have been furloughed. Each business has individual contingency plans in place, encompassing operational and strategic measures, which will be deployed in reaction to the evolving circumstances.

## **DMGI Land & Property Europe Ltd**

### **Strategic Report for the Year Ended 30 September 2021**

#### **Going concern**

The directors have considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position.

The duration and severity of the ongoing Covid-19 pandemic remains unclear. As part of the Directors' assessment of the impact of the COVID-19 pandemic, they have considered and challenged the latest projections, considering future trading performance, working capital requirements and the wider economy, modelled to incorporate a pessimistic scenario and a plausible but severe scenario of the UK residential housing market operating at volumes at the floor of a functioning market as experienced during the early months of the pandemic. In addition, as the company has cash pooling arrangements with its fellow group companies, the Directors considered the availability of the Group's committed but undrawn bank facilities of £315.7 million which expire in March 2023. In this severe but plausible scenario, the Group did not forecast a draw down on its bank facilities nor does it forecast a breach of its banking covenants.

DMGT has confirmed that it will provide such financial support as might be necessary to ensure that the company is a going concern for at least twelve months from the date of signing of these financial statements.

After making enquiries, the directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

#### **Environmental matters**

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Company's activities. As a member of the DMGT Group, the Company operates in accordance with DMGT Group policies, which are described in the DMGT Group Annual Report, which does not form part of this report. Initiatives designed to minimise the Company's net impact on the environment include recycling and reducing energy consumptions.

## **DMGI Land & Property Europe Ltd**

### **Strategic Report for the Year Ended 30 September 2021**

#### **S172 Statement**

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard to

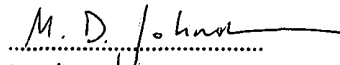
- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

The directors invite all group employees to participate in an annual engagement survey. They use the results to understand how to motivate employees and maintain high standards and productively for the benefit of the employees, customers and members. The directors communicate decisions about the company's future to the employees in a timely manner to ensure everyone is working towards a common goal. The company encourages a healthy work life balance for employees by allowing flexible working and other wellness initiatives.

The directors made the decision to keep the group businesses operating as usual throughout this year's lockdown which has maintained good relationships with customers and suppliers. The directors made the necessary technological resources available to provide the expected level of service to our customers.

The directors constantly strive to offer the best possible products to customers by investing in development and infrastructure improvements. The group is compliant in ISO14001 Environmental management. ISO27001 Information security and ISO9001 Quality management so that business partners can place reliance on the company's high standards.

Approved by the Board on 24 February 2022 and signed on its behalf by:

  
.....

M Johnston

Director

Date: 24 February 2022

## **DMGI Land & Property Europe Ltd**

### **Directors' Report for the Year Ended 30 September 2021**

The directors present their Directors' Report on the affairs of the Company, together with the audited financial statements and Independent Auditors' report for the year ended 30 September 2021.

#### **Directors of the Company**

The directors who held office during the year and up to date of signing of the financial statements, unless otherwise stated, were as follows:

P Zwillenberg

S Stout

S Brown

M Johnston

#### **Dividends**

The company distributed £226,900,000 in dividends in the year ended 30 September 2021 (2020: £nil).

#### **Directors' indemnity**

A qualifying third-party indemnity (QTPI), as permitted by the Company's Articles of Association and Sections 232 and 234 of the Companies Act 2006, has been granted by the Company to each of the Directors of the Company. Under the provisions of the QTPI, the Company undertakes to indemnify each Director against liability to third parties (excluding criminal and regulatory penalties) and to pay Directors' defence costs as incurred, provided that they are reimbursed to the Company if the Director is found guilty or, in an action brought by the Company, judgement is given against the Director.

#### **Financial risk management**

Financial risk management details are included within the Strategic Report on pages 2 to 4.

#### **Future developments**

The directors expect the general level of activity of the Company to remain consistent with prior years and the Company's principal activities are not expected to change substantially.

As noted in Note 2 Going Concern, the COVID-19 pandemic and measures taken to contain the virus have impacted the Company.

#### **Directors' responsibilities**

Each of the persons who are a director at the date of approval of this report confirm that they have satisfied their responsibilities, as outlined in the Statement of Directors' Responsibilities on page 7.

## **DMGI Land & Property Europe Ltd**

### **Directors' Report for the Year Ended 30 September 2021**

#### **Disclosure of information to the auditors**

Each of the persons who are a director at the date of approval of this report confirms that:

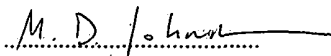
- so far as the directors are aware, there is no relevant audit information they know of which the Company's auditors are unaware; and
- the directors have taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### **Reappointment of independent auditors**

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board on 24 February 2022 and signed on its behalf by:

  
.....

M Johnston

Director

Date: 24 February 2022



## **DMGI Land & Property Europe Ltd**

### **Statement of Directors' Responsibilities in respect of the Financial Statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' and applicable law). 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting 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 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.

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.

## **DMGI Land & Property Europe Ltd**

### **Independent auditors' report to the members of DMGI Land & Property Europe Ltd**

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

##### **Opinion**

In our opinion, DMGI Land & Property Europe Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 September 2021; the Income Statement, and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

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 when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

## **DMGI Land & Property Europe Ltd**

### **Independent auditors' report to the members of DMGI Land & Property Europe Ltd**

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

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

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for 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.

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.

## **DMGI Land & Property Europe Ltd**

### **Independent auditors' report to the members of DMGI Land & Property Europe Ltd**

#### *Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and the Directors, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant minutes of director board meetings;
- Evaluating management's controls designed to prevent and detect irregularities, in particular the whistleblowing policy and employee code of conduct;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the carrying value of investments; and
- Identifying and testing journal entries, in particular any entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

## **DMGI Land & Property Europe Ltd**

### **Independent auditors' report to the members of DMGI Land & Property Europe Ltd**

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



.....  
Paul Nott (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors  
Bristol

Date: 28 February 2022

## DMGI Land & Property Europe Ltd

### Income Statement for the Year Ended 30 September 2021

		Year ended 30 September 2021	Year ended 30 September 2020
	Note	£	£
Administrative expenses		<u>26,587</u>	<u>(278,421)</u>
Operating profit/(loss)		26,587	(278,421)
Income from shares in group undertakings and participating interests		215,363,716	70,175
Profit on disposal of other fixed asset investments		45,681	-
Interest receivable and similar income	4	57,824	57,824
Amounts written off investments	8	(4,947,260)	-
Interest payable and similar expenses		<u>(2,015)</u>	<u>(7,554)</u>
Profit/(loss) before taxation		210,544,533	(157,976)
Tax on profit/(loss)	7	<u>6,004</u>	<u>(10,889)</u>
Profit/(loss) for the financial year		<u>210,550,537</u>	<u>(168,865)</u>

The company has no other comprehensive income in the current year or the prior year other than the results above and therefore no separate statement of comprehensive income has been presented.

Operating profit/ (loss) is derived wholly from continuing operations.

# DMGI Land & Property Europe Ltd

## Statement of Changes in Equity for the Year Ended 30 September 2021

	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 October 2019	19,101,093	58,584,477	137,698,463	215,384,033
Loss for the financial year	-	-	(168,865)	(168,865)
Total comprehensive expense	-	-	(168,865)	(168,865)
At 30 September 2020	19,101,093	58,584,477	137,529,598	215,215,168

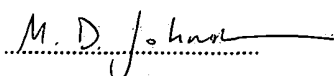
	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 October 2020	19,101,093	58,584,477	137,529,598	215,215,168
Profit for the financial year	-	-	210,550,537	210,550,537
Total comprehensive income	-	-	210,550,537	210,550,537
Transactions with owners in their capacity as owners:				
Dividends	-	-	(226,900,000)	(226,900,000)
At 30 September 2021	19,101,093	58,584,477	121,180,135	198,865,705

The notes on pages 15 to 27 form an integral part of these financial statements.

**DMGI Land & Property Europe Ltd****(Registration number: 1163844)****Statement of Financial Position as at 30 September 2021**

	Note	2021 £	2020 £
<b>Non-current assets</b>			
Investments	8	<u>253,054,228</u>	<u>257,190,672</u>
		<u>253,054,228</u>	<u>257,190,672</u>
<b>Current assets</b>			
Trade and other receivables	9	42,643,968	134,898,471
<b>Current liabilities</b>			
Trade and other payables	10	(96,822,550)	(176,765,878)
Current income tax liabilities		<u>(9,941)</u>	<u>(11,651)</u>
		<u>(96,832,491)</u>	<u>(176,777,529)</u>
Net current liabilities		<u>(54,188,523)</u>	<u>(41,879,058)</u>
Total assets less current liabilities		198,865,705	215,311,614
Provisions for liabilities	11	-	(96,446)
Net assets		<u>198,865,705</u>	<u>215,215,168</u>
<b>Capital and reserves</b>			
Called up share capital	12	19,101,093	19,101,093
Share premium reserve		58,584,477	58,584,477
Retained earnings		<u>121,180,135</u>	<u>137,529,598</u>
Total shareholders' funds		<u>198,865,705</u>	<u>215,215,168</u>

The financial statements on pages 12 to 27 were approved by the Board on 24 February 2022 and signed on its behalf by:



M Johnston

Director

The notes on pages 15 to 27 form an integral part of these financial statements.



# **DMGI Land & Property Europe Ltd**

## **Notes to the Financial Statements for the Year Ended 30 September 2021**

### **1 General information**

The Company is a private company limited by share capital incorporated in the United Kingdom and registered and domiciled in England and Wales.

The address of its registered office is:

5-7 Abbey Court  
Eagle Way  
Sowton Industrial Estate  
Exeter  
EX2 7HY  
United Kingdom

DMGI Land & Property Europe Ltd is a holding company for certain business information activities of the Daily Mail and General Trust plc (DMGT) Group.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Basis of preparation**

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention as modified by the revaluation of deferred consideration measured at fair value through profit or loss, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. The preparation of financial statements in conformity with FRS 101 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 outlined in Note 3.

#### **Summary of disclosure exemptions**

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS101:

- **Exemption from comparative information**

The company has taken advantage of the exemption provided in Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1.

- **Financial instruments- disclosures**

The Company has taken advantage of the exemption provided in IFRS 7, Financial Instruments: Disclosures as disclosures have been included in the consolidated financial statements of the DMGT group.

## **DMGI Land & Property Europe Ltd**

### **Notes to the Financial Statements for the Year Ended 30 September 2021**

#### **2 Accounting policies (continued)**

##### **• Cash flow statement**

The Company is a wholly owned subsidiary of DMGT and the cash flows of the Company are included in the consolidated cash flows of that company. Consequently the Company is exempt under the terms of FRS 101 from publishing a separate cash flow statement.

##### **• Standards issued but not effective**

The Company has applied the exemption available under FRS 101 in relation to paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued and is not yet effective).

##### **• Related Party Transactions**

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101: Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation) and the requirements in Paragraph 18a of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned subsidiaries of a group.

##### **• Exemption for borrowing costs**

The Company has elected to apply the requirements of IAS 23 only with effect from 1 October 2015. Borrowing costs incurred on or after 1 October 2015 are accounted for in accordance with IAS 23, that is borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being one that takes a substantial amount of time to get ready for its intended use, are capitalised as part of the cost of the asset.

##### **• Exemption from preparing group financial statements**

The financial statements contain information about DMGI Land & Property Europe Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of DMGT, a company incorporated in England and Wales.

#### **Tax**

Tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the tax is also recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

#### **Deferred consideration**

Some investments in subsidiary undertakings include an element of deferred consideration. This deferred element is an area of judgement and may change based on the terms of the agreement. Deferred consideration is recognised at fair value, with subsequent changes adjusted against the cost of investment.

# **DMGI Land & Property Europe Ltd**

## **Notes to the Financial Statements for the Year Ended 30 September 2021**

### **2 Accounting policies (continued)**

#### **Investments**

Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment.

Impairment reviews are performed when there is an indicator that the carrying value of the shares in Group undertakings could exceed their recoverable values based on their value in use or fair value less costs to sell. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset. These calculations use cash flow projections based on Board-approved budgets and projections which reflect management's current experience and future expectations of the markets in which the Group undertaking operates.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the statement of income statement.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Going concern**

The directors have considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position.

The duration and severity of the ongoing Covid-19 pandemic remains unclear. As part of the Directors' assessment of the impact of the COVID-19 pandemic, they have considered and challenged the latest projections, considering future trading performance, working capital requirements and the wider economy, modelled to incorporate a pessimistic scenario and a plausible but severe scenario of the UK residential housing market operating at volumes at the floor of a functioning market as experienced during the early months of the pandemic. In addition, as the company has cash pooling arrangements with its fellow group companies, the Directors considered the availability of the Group's committed but undrawn bank facilities of £315.7 million which expire in March 2023. In this severe but plausible scenario, the Group did not forecast a draw down on its bank facilities nor does it forecast a breach of its banking covenants.

DMGT has confirmed that it will provide such financial support as might be necessary to ensure that the company is a going concern for at least twelve months from the date of signing of these financial statements.

After making enquiries, the directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

## **DMGI Land & Property Europe Ltd**

### **Notes to the Financial Statements for the Year Ended 30 September 2021**

#### **2 Accounting policies (continued)**

##### **Financial assets**

###### *Trade receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables do not carry interest and are recognised initially at the value of the invoice sent to the customer i.e. amortised cost and subsequently reduced by allowances for estimated irrecoverable amounts.

Estimates are used in determining the level of receivables that will not, in the opinion of the Directors, be collected. In the current period the Company applies the simplified approach permitted by IFRS 9, which requires the use of the lifetime expected loss provision for all receivables, including contract assets. These estimates are based on historic credit losses, macro-economic and specific country-risk considerations with higher default rates applied to older balances.

In addition, if specific circumstances exist which would indicate that the receivable is irrecoverable a specific provision is made. A provision is made against trade receivables and contract assets until such time as the Company believes there to be no reasonable expectation of recovery, after which the trade receivable or contract asset balance is written off.

##### **Financial liabilities**

###### *Trade payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 3 Critical accounting judgements and key sources of estimation uncertainty

##### Investments

The carrying value of investments are reviewed by management every six months for an assessment of impairment, which includes comparing the carrying values to future discounted cash flows from the various business units within the investments owned.

On 24th July 2019, the Company acquired Landmark Optimus Ltd for £17.3m. The future discounted cash flows for the impairment assessment of this investment incorporate strong revenue growth rates driven by development and expansion on existing networks. The future discounted cash flows exceed carrying value by £62.3m based on four-fold revenue growth over three year trading projections and a pre-tax discount rate of 10%. For the recoverable amount to be equal to the carrying value, revenue growth would need to be restricted by 65% of current projections or the discount rate would need to be increased by 22.1% to 33.1%.

On 19 December 2019, the Company acquired the OneSearch Direct Holdings Ltd group of companies for £4,947,261. During the current year the ownership of OneSearch Direct Ltd was purchased from OneSearch Direct Holdings Ltd by DMGI Land & Property Europe Ltd for £4,947,261. The retained reserves of OneSearch Direct Holdings Ltd has been distributed to DMGI Land & Property Europe Ltd in a £6,893,828 dividend. This has resulted in a £4,947,260 provision against the investment in OneSearch Direct Holdings Ltd.

See note 8 for the carrying value of investments and note 2 for the accounting policy on investments for information on how the impairment of investments is assessed.

#### 4 Interest receivable and similar income

	Year ended 30 September 2021	Year ended 30 September 2020
	£	£
Dividend on preference shares in group undertaking	57,824	57,824

#### 5 Directors' remuneration

The directors were the only employees of the company during the current and prior financial years. They received no remuneration from the company for their services in either year. They are directors of numerous companies in the DMGI Land & Property Europe Ltd group. It is not practicable to allocate their remuneration between these companies, so all their remuneration is borne by their primary employer and not recharged. S Stout, S Brown and M Johnston were remunerated by Landmark Information Group Ltd and P Zwillenberg was remunerated by Daily Mail and General Trust Plc.

#### 6 Auditors' remuneration

The fees in relation to the audit of the financial statements of the Company amounted to £4,244 (2020: £4,120). The audit fee for the Company is borne by another Group company.

## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 7 Tax on profit/(loss)

Tax (credited)/ charged in the income statement

	Year ended 30 September 2021 £	Year ended 30 September 2020 £
<b>Current taxation</b>		
UK corporation tax	5,021	11,651
UK corporation tax adjustment to prior periods	(11,025)	(762)
	<u>(6,004)</u>	<u>10,889</u>

The tax on profit/ (loss) for the year is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	Year ended 30 September 2021 £	Year ended 30 September 2020 £
Profit/(loss) before tax	<u>210,544,533</u>	<u>(157,976)</u>
Corporation tax at standard rate	40,003,461	(30,015)
Decrease in current tax from adjustment for prior periods	(11,025)	(762)
Decrease from effect of capital allowances depreciation	(30)	-
Increase from effect of expenses not deductible in determining taxable profit	920,696	53,564
Increase arising from group relief tax reconciliation	-	1,435
Decrease from effect dividends from UK companies	<u>(40,919,106)</u>	<u>(13,333)</u>
Total tax (credit)/charge	<u>(6,004)</u>	<u>10,889</u>

The main rate of UK corporation tax of 19% has been in effect since 1 April 2017, accordingly, current tax has been provided for at a rate of 19% in these financial statements.

Under FRS101, deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the balance sheet date. Legislation was enacted in June 2021 to increase the UK corporation tax rate from 19.0% to 25.0% with effect from 1 April 2023. Following this change, UK deferred tax balances in the closing position that are expected to unwind after 1 April 2023 have been measured at 25%.

#### Deferred tax

There are £748 of deductible temporary differences (2020 - £912) for which no deferred tax asset is recognised in the statement of financial position.

# DMGI Land & Property Europe Ltd

## Notes to the Financial Statements for the Year Ended 30 September 2021

### 8 Investments

	Subsidiaries £	Joint Ventures £	Total £
<b>Cost or valuation</b>			
At 1 October 2020	256,190,672	1,000,000	257,190,672
Additions	4,947,261	-	4,947,261
Disposals	(4,136,445)	-	(4,136,445)
At 30 September 2021	257,001,488	1,000,000	258,001,488
<b>Provision</b>			
At 1 October 2020	-	-	-
Provision	4,947,260	-	4,947,260
At 30 September 2021	4,947,260	-	4,947,260
<b>Carrying amount</b>			
At 30 September 2021	252,054,228	1,000,000	253,054,228
At 30 September 2020	256,190,672	1,000,000	257,190,672

The directors believe that the carrying value of the investments is supported by their underlying net assets and forecast future cash flows.

In the previous financial year the Company acquired the OneSearch Direct Holdings Ltd group of companies for £4,947,261. During the current year the ownership of OneSearch Direct Ltd was purchased from OneSearch Direct Holdings Ltd by DMGI Land & Property Europe Ltd for £4,947,261. The retained reserves of OneSearch Direct Holdings Ltd has been distributed to DMGI Land & Property Europe Ltd in a £6,893,828 dividend. This has resulted in a £4,947,260 provision against the investment in OneSearch Direct Holdings Ltd.

On 27 April 2021 the company disposed of its investments in Rochford Brady Legal Services Ltd and Lawlink (UK) Ltd.

### Subsidiaries

Details of the subsidiaries as at 30 September 2021 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and registered office	Proportion of ownership interest and voting rights held	
			2021	2020
Argyll Environmental Ltd*	Business information	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%

## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 8 Investments (continued)

Decision Insight Hub Ltd	Data Provider	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Decision Insight Information Group (UK) Ltd*	Data Provider	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Decision Insight Packco Ltd	In liquidation	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	0%	100%
Estate Technical Solutions Ltd*	Data provider	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Landmark Analytics Ltd*	Business information	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Landmark FAS Ltd	Reports for probate solicitors	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Landmark Information Group Ltd*	Business information	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Landmark International Holdings Ltd	Holding company	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Landmark Optimus Ltd	Panel Manager	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Lawlink (UK) Ltd*	Data provider	Northern Ireland 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter EX2 7HY	0%	100%



## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 8 Investments (continued)

Millar & Bryce Ltd	Data provider	Scotland 10th Floor, 133 Finnieston Street, Glasgow, G3 8HB	100%	100%
Ochresoft Technologies Ltd*	Business information	England & Wales 11 Lancaster Place, South Marston Business Park, Swindon SN3 4UQ	100%	100%
PICO Information Ltd*	Dormant	England & Wales	100%	100%
Landmark Valuation Services Ltd*	Business information	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Richards Gray Ltd	Dormant	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Rochford Brady Legal Services Ltd*	Data provider	Republic of Ireland 39/40 Upper Mount Street, Dublin 2	0%	100%
Searchflow Ltd	Data provider	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Watervale Ltd	Non-trading	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	100%
Onesearch Direct Ltd*	Business Information	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%
Onesearch Direct Holdings Ltd*	Non-trading	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%
Onesearch Direct Group Ltd	Non-trading	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%
Onesearch Direct Property Information Ltd	Dormant	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%

## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 8 Investments (continued)

Onesearch Direct Property Ltd	Dormant	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%
Surveys Online Ltd	Dormant	Scotland Skypark, 8 Elliot Place, Glasgow, G3 8EP	100%	100%
Abbey Newco Ltd	Dormant	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	0%
Iona Trading Ltd	Dormant	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	100%	0%

\* indicates direct investment of DMGI Land & Property Europe Ltd.

#### Associates

Details of the associates as at 30 September 2021 are as follows:

Name of associate	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2021	2020
RLTO Ltd	Business information	Stapleton House, 110 Clifton Street, London EC2A 4HT England & Wales	20.02%	20.02%

## DMGI Land & Property Europe Ltd

### Notes to the Financial Statements for the Year Ended 30 September 2021

#### 8 Investments (continued)

##### Joint ventures

Details of the joint ventures as at 30 September 2021 are as follows:

Name of Joint-ventures	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2021	2020
Decision First Ltd	Data provider	England & Wales Cardinal House, 9 Manor Road, Leeds LS11 9AH	50%	50%
PointX Ltd *	Business information	England & Wales 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter EX2 7HY	50%	50%

\* indicates direct investment of DMGI Land & Property Europe Ltd.

#### 9 Trade and other receivables

	At 30 September 2021 £	At 30 September 2020 £
Amounts owed by group undertakings	41,738,650	134,173,412
Other receivables	905,318	725,059
	<u>42,643,968</u>	<u>134,898,471</u>

There are no debtors falling due in more than one year.

Amounts owed by group undertakings of £41,738,650 (2020: £134,173,412) are unsecured, not subject to interest and are repayable on demand.

# DMGI Land & Property Europe Ltd

## Notes to the Financial Statements for the Year Ended 30 September 2021

### 10 Trade and other payables

	At 30 September 2021 £	At 30 September 2020 £
<b>Current liabilities</b>		
Amounts owed to group undertakings	96,149,235	175,333,808
Other creditors	162,482	162,002
Deferred consideration	510,833	1,270,068
	<u>96,822,550</u>	<u>176,765,878</u>

Amounts owed to group undertakings of £96,149,235 (2020: £175,333,808) are unsecured, not subject to interest and are repayable on demand.

### 11 Provisions for liabilities

	Other provisions £
At 1 October 2020	96,446
Provisions used	<u>(96,446)</u>
At 30 September 2021	<u>-</u>

Other provisions relate to an expense contingency regarding sellers costs yet to be incurred in the disposal of the company's investment in XAP Corporation. The disposal of XAP Corporation occurred in the prior year.

### 12 Called up share capital

#### Allotted, called up and fully paid shares

	At 30 September 2021		At 30 September 2020	
	Number	£	Number	£
Ordinary shares of £1 each	<u>19,101,093</u>	<u>19,101,093</u>	<u>19,101,093</u>	<u>19,101,093</u>

## **DMGI Land & Property Europe Ltd**

### **Notes to the Financial Statements for the Year Ended 30 September 2021**

#### **13 Ultimate parent company and controlling party**

The Company is controlled by Rothermere Continuation Ltd (RCL), which is incorporated in Bermuda. The main asset of RCL is its 100% holding of DMGT's issued Ordinary shares. RCL has controlled DMGT for many years and as such is its immediate parent company. RCL is controlled by a discretionary trust ("the Trust") which is held for the benefit of Viscount Rothermere and his immediate family. The Trust represents the ultimate controlling party of the Company. Both RCL and the Trust are administered in Jersey, in the Channel Islands. RCL and its directors, and the Trust are related parties of the Company.

The Company's immediate parent undertaking at the balance sheet date is DMG Information Ltd, incorporated in England and Wales.

The ultimate parent is RCL.

On 10 January 2022, the ownership of DMGT was privatised. RCL acquired all of the issued and to be issued DMGT A Shares not already owned by RCL, and the FCA delisted and cancelled trading of all DMGT A Shares on the London Stock Exchange. There has been no change in ultimate parent and controlling party of DMGI Land & Property Europe Limited at the year end or after the year end, as a result of the DMGT privatisation.

#### **Relationship between entity and parents**

The largest and smallest group of which the Company is a member and from which group financial statements are drawn up is that of DMGT, incorporated in England and Wales.

Copies of the report and financial statements are available from the Company Secretary at:

Northcliffe House  
2 Derry Street  
London  
UK  
W8 5TT