

Registration number: 02280048

Castlefield Properties Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2020



Castlefield Properties Limited

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Castlefield Properties Limited

Directors' Report for the Year Ended 31 December 2020

The Directors present their report and the unaudited financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of Castlefield Properties Limited ("the Company") is the holding of land for capital appreciation.

Directors of the Company

The Directors, who held office during the year, were as follows:

Ian Jones

Sharjeel Suleman (resigned on 1 February 2021)

The following director was appointed after the year end:

Adele Abigail (appointed 1 February 2021)

Directors' liabilities

The Directors benefit from third party insurance provisions in place during the financial year and at the date of this report.

Dividends

The Directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2020 (2019: £Nil).

Business review

The results for the Company show a profit for the year of £21,000 (2019: loss of £39,000). At the statement of financial position date the Company had net assets of £22,460,000 (2019: £22,439,000).

Going concern

ITV plc has indicated that for at least twelve months from the date of approval of these financial statements, it intends to continue to make available such funds as are needed by the Company for the period covered by the going concern assessment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements (see note 1).

Audit exemption

Castlefield Properties Limited, as a guaranteed subsidiary of ITV plc, has met the criteria set out in ss.479A-479C of the Companies Act 2006, and is claiming exemption from the audit of their individual accounts afforded by those sections for the year ended 31 December 2020.

Subsequent events

On 3 March 2021, the UK Government announced a change in the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The rate change was substantively enacted on 24 May 2021 and therefore is not reflected in the deferred tax assets or liabilities as at 31 December 2020. The impact on the deferred tax asset is expected to be an increase of approximately £7,000.

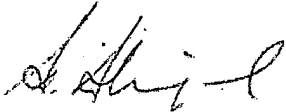
Castlefield Properties Limited

Directors' Report for the Year Ended 31 December 2020

Small companies' provision statement

This report has been prepared in accordance with the provisions available to companies entitled to the small companies exemption.

Approved by the Board on 03/11/2021 and signed on its behalf by:



.....
Adele Abigail
Director

Registered office
2 Waterhouse Square
140 Holborn
London
EC1N 2AE

Castlefield Properties Limited

Statement of Directors' Responsibilities

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including 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 period. 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 UK 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 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, 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.

Castlefield Properties Limited

Income Statement for the Year Ended 31 December 2020

	Note	2020 £ 000	2019 £ 000
Operating profit/(loss)		<u>-</u>	<u>-</u>
Profit/(loss) before tax		-	-
Taxation	5	<u>21</u>	<u>(39)</u>
Profit/(loss) for the year		<u>21</u>	<u>(39)</u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the above.

Castlefield Properties Limited

(Registration number: 02280048)

Statement of Financial Position as at 31 December 2020

	Note	2020 £ 000	2019 £ 000
Non-current assets			
Deferred tax assets	6	162	177
Trade and other receivables	7	<u>22,777</u>	<u>22,777</u>
		<u>22,939</u>	<u>22,954</u>
Current assets			
Current tax receivable	5	36	-
Current liabilities			
Trade and other payables	8	<u>(515)</u>	<u>(515)</u>
Net current liabilities		<u>(479)</u>	<u>(515)</u>
Net assets		<u>22,460</u>	<u>22,439</u>
Capital and reserves			
Share capital	9	-	-
Other reserves		2,303	2,303
Retained earnings		<u>20,157</u>	<u>20,136</u>
		<u>22,460</u>	<u>22,439</u>

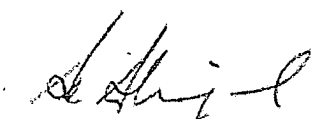
These accounts have been prepared in accordance with the provisions available to companies entitled to the small companies regime.

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 03/11/2021 and signed on its behalf by:



.....
Adele Abigail
Director

The notes on pages 7 to 14 form an integral part of these financial statements.

Castlefield Properties Limited

Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2020	-	2,303	20,136	22,439
Profit for the year	-	-	21	21
At 31 December 2020	-	2,303	20,157	22,460

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2019	-	2,303	20,175	22,478
Loss for the year	-	-	(39)	(39)
At 31 December 2019	-	2,303	20,136	22,439

The notes on pages 7 to 14 form an integral part of these financial statements.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

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

Castlefield Properties Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 02280048 and the registered address is 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

The Company is a qualifying entity as it is a member of the ITV plc Group where ITV plc, the ultimate parent prepares publicly available consolidated financial statements. 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"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Measurement convention

The financial statements are prepared on the historical cost basis.

Summary of disclosure exemptions

The Company is taking advantage of the following disclosure exemptions under FRS 101:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations;
- Certain disclosures regarding leases; and
- Disclosures in respect of revenue being the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from contracts with customers.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 Accounting policies (continued)

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

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to apply the reduced disclosure framework of FRS 101 in its next financial statements.

Changes in accounting policy

New standards, interpretations and amendments effective

The following have been applied for the first time from 1 January 2020.

Amendments to IFRS 3

The amendment provides entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

IAS 1 'Presentation of financial statements and IAS 8 Accounting policies changes in Accounting Judgements and Estimates.

The amendment clarifies the definition of material throughout IFRSs and the Conceptual Framework for Financial Reporting.

IFRS 9, IAS 39 and IFRS 17 - interest benchmark reform

The amendments provide temporary relief which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate.

Amendments to the Conceptual framework

The revised Framework will be used in future standard-setting decisions, but no changes will be made to current IFRS. Preparers might also use the Framework to assist them in developing accounting policies where an issue is not addressed by an IFRS.

IFRS 16 'Leases'

In response to the COVID-19 coronavirus pandemic, the amendments to IFRS 16 'Leases allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions.

The above standards, interpretations and amendments effective for the first time from 1 January 2020 have not had a material effect on the financial statements.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 Accounting policies (continued)

Going Concern

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate for the following reasons.

The Directors have prepared a going concern assessment covering a period of 12 months from the date of approval of these accounts which indicates that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Company will have sufficient funds through funding from its ultimate parent company, ITV plc, to meet its liabilities as they fall due for that period.

The Company is dependent on ITV plc for its working capital. The Directors of the Company have no reason to believe that this financial support will not be forthcoming in the event that it is required.

ITV plc has indicated that for at least twelve months from the date of approval of these financial statements, it intends to continue to make available such funds as are needed by the Company for the period covered by the going concern assessment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

On this basis, and on their assessment of the Company's financial position, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the approval of these financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Amounts due (to) / from group undertakings

The Company relies on the In-House Bank with ITV plc for its working capital. These transactions create a corresponding intercompany creditor or debtor which can result in significant movements in amounts owed to and from subsidiary undertakings in the Company statement of financial position.

Investment property

Certain of the Company's properties are held as investment properties for long-term rental yields.

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

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 neutral, the initial measurement is on a present value basis.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

1 Accounting policies (continued)

Tax

The tax charge for the period is recognised in the income statement, the statement of comprehensive income and directly in equity, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. The calculation of the Company's tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be fully determined until a resolution has been reached by the relevant tax authority.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Company recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax arises due to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is calculated using tax rates that are enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets, therefore, involves judgement regarding the timing and level of future taxable income.

Deferred tax assets and liabilities are disclosed net to the extent that they relate to taxes levied by the same authority and the Company has the right of set-off.

2 Accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. For the current year, there were no significant judgements that require disclosure.

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

3 Staff costs

There were no employees and hence no staff costs during the year (2019: £Nil).

4 Directors' remuneration

In the year to 31 December 2020 the Directors were remunerated by other ITV plc Group companies. These Directors received no remuneration in respect of their qualifying services to the Company (2019: £Nil).

5 Taxation

Tax charged/(credited) in the income statement

	2020 £ 000	2019 £ 000
Current taxation		
UK corporation tax	-	-
Group relief payable / (receivable)	(36)	-
	(36)	-
Total current income tax	(36)	-
Deferred taxation		
Arising from origination and reversal of temporary differences	36	39
Arising from changes in tax rates and laws	(21)	-
Total deferred taxation	15	39
Tax (receipt)/expense in the income statement	(21)	39

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2019: higher than the standard rate of corporation tax in the UK) of 19% (2019: 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Profit/(loss) before tax	-	-
Corporation tax at standard rate of 19% (2019: 19%)	-	-
Group relief surrendered	36	44
Deferred tax expense / (credit) relating to changes in tax rates or laws	(21)	(5)
Receipt for group relief	(36)	-
Total tax (credit)/charge	(21)	39

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

5 Taxation (continued)

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The UK deferred tax asset as at 31 December 2020 was calculated at 19% (2019: 17%)

Factors Impacting Future Tax Charges

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly and increase the deferred tax asset by approximately £7,000.

6 Deferred tax

Deferred tax

Deferred tax assets and liabilities

	Asset £ 000
2020	
Accelerated tax depreciation	<u>162</u>
2019	Asset £ 000
Accelerated tax depreciation	<u>177</u>

Deferred tax movement during the year:

	At 1 January 2020 £ 000	Recognised in income £ 000	At 31 December 2020 £ 000
Accelerated tax depreciation	<u>177</u>	<u>(15)</u>	<u>162</u>

Deferred tax movement during the prior year:

	At 1 January 2019 £ 000	Recognised in income £ 000	At 31 December 2019 £ 000
Accelerated tax depreciation	<u>216</u>	<u>(39)</u>	<u>177</u>

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

7 Trade and other receivables

Current asset

	2020	2019
	£ 000	£ 000
Group relief receivable	36	-

Non-current assets

	2020	2019
	£000	£000
Amounts due from group undertakings	22,777	22,777

Included in non current assets amounts due from group undertakings is an amount of £22,777,000 (2019: £22,777,000) which represents intercompany trading, has no associated interest and is repayable on demand. It is the intention of the Directors that the balance is settled greater than one year.

We have applied the expected loss model and the impact was not material.

The carrying value of trade and other receivables is considered to approximate fair value.

8 Trade and other payables

	2020	2019
	£ 000	£ 000
Amounts due to group undertakings	515	515

Included in amounts due to group undertakings is an amount of £515,000 (2019: £515,000) which represents intercompany trading, has no associated interest and is repayable on demand.

The carrying value of trade payables is considered to approximate fair value.

9 Share capital

Allotted, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary A shares of £1 each	2	2	2	2

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

10 Contingent liabilities

Under a Group registration the Company is jointly and severally liable for VAT at 31 December 2020 of £124 million (2019: £40 million).

11 Parent of group in whose consolidated financial statements the Company is consolidated

The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is ITV plc.

These financial statements are available upon request from 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

12 Parent and ultimate parent undertaking

The Company's immediate parent is ITV Services Limited.

The ultimate parent is ITV plc. ITV plc is incorporated in the UK.

The most senior parent entity producing publicly available financial statements is ITV plc. These financial statements are available upon request from 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

The ultimate controlling party is ITV plc.

13 Subsequent events

On 3 March 2021, the UK Government announced a change in the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The rate change was substantively enacted on 24 May 2021 and therefore is not reflected in the deferred tax assets or liabilities as at 31 December 2020. The impact on the deferred tax asset is expected to be an increase of approximately £7,000.