

Registered number: 03348583

Intu MH Group Limited

Unaudited

Financial statements

For the year ended 31 December 2020



Intu MH Group Limited

Company Information

Directors

David Kenneth Duggins (appointed 23 September 2020)
Miles George Sutherland Dunnnett (appointed 28 July 2021)
Adrian Croft (appointed 16 September 2020,
resigned 23 September 2020)
Sean Crosby (resigned 16 September 2020)
Hugh Michael Ford (resigned 15 April 2020)
Gary Richard Hoskins (resigned 23 September 2020)
Minakshi Kidia (resigned 15 April 2020)
Ian Charles Powell (appointed 23 September 2020,
resigned 23 July 2021)

Registered number

03348583

Registered office

2nd Floor
168 Shoreditch High Street
London
E1 6RA

Intu MH Group Limited

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Intu MH Group Limited

Strategic report For the year ended 31 December 2020

The directors submit their Strategic Report of Intu MH Group Limited ('the company') for the year ended 31 December 2020.

Principal activities

The company's principal activity is the holding of investments. The company is now dormant.

Business review

The Company's results and financial position for the year ended 31 December 2020 are set out in full in the Statement of profit or loss and other comprehensive income, Statement of financial position, Statement of changes in equity, Statement of cash flows and the notes to the financial statements.

The Company recorded a loss before tax of £Nil compared with a loss before tax of £86,608 for the previous year. Net liabilities at 31 December 2020 were £2,608, no change from the 31 December 2019 figure of £2,608.

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The directors have considered the future activity of the business below and within the going concern section.

Future developments and events after the reporting date

On 25 June 2021 Merry Hill Bidco Limited (a company incorporated in Jersey, and a wholly-owned subsidiary of Merry Hill Newco Limited – also incorporated in Jersey) acquired all of the legal entities which own and operate the Merry Hill Centre.

Principal risks and uncertainties

Financing

The continued operation and development of Merry Hill is dependent on access to sufficient liquidity to fund the capital expenditure needed to attract and retain new tenants. A five year business plan setting out the funding requirements of the business is annually updated and approved by the shareholders. The business currently has sufficient cash available (taking into account the minimum liquidity covenant) to fund its existing commitments, and is expected to generate sufficient additional cash going forward to fund future spending.

The potential sale of non-core assets within the overall site offers the opportunity to generate additional liquidity, and the directors of the General Partner will continue to monitor this option.

Retail Environment

The trend from in-store to online shopping, which has been accelerated by the impact of Covid-19, will continue to exert downward pressure on rental income. To counter this, the business plan includes a re-balancing of the business towards the leisure market, which is expected to result in stabilised net operating income.

Operations

The main operational risk is health and safety, which has been impacted by Covid-19. In addition to rigorous existing processes and procedures, additional measures have been implemented in line with government guidance, and policies have been strengthened by the addition of regular external assessments.

Intu MH Group Limited

Strategic report (continued)
For the year ended 31 December 2020

This report was approved by the board and signed on its behalf.



David Kenneth Duggins
Director

Date: 1 February 2022

Intu MH Group Limited

Directors' report For the year ended 31 December 2020

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

The company is incorporated and registered in England and Wales (company number 03348583). The company's registered office is 2nd Floor, 168 Shoreditch High Street, London, E1 6RA.

Results and dividends

The profit for the year, after taxation, amounted to £NIL (2019 - loss £87 thousand).

The directors do not recommend a dividend for the year (2019: £Nil).

Financial risk management

The Company is exposed to a variety of financial risks arising from the Company's operations being principally liquidity risk and credit risk.

Financial risk management is carried out by the Company itself acting through its Board of Directors, supported by Ellandi Management Limited and Savills plc, who act as asset manager and property manager, respectively.

Capital management

The directors consider the capital of the Company to be the ordinary share capital of £70,000 (2019: £70,000). The management of this capital is performed by the Company itself.

Going concern

Full detail in respect of going concern is set out in note 4. The going concern disclosure details that the financial statements have not been prepared on a going concern basis. This is because the directors intend to liquidate or dissolve the Company within the 12 months from the signing of the financial statements.

Directors

The directors who served during the year were:

David Kenneth Duggins (appointed 23 September 2020)
Adrian Croft (appointed 16 September 2020, resigned 23 September 2020)
Sean Crosby (resigned 16 September 2020)
Hugh Michael Ford (resigned 15 April 2020)
Gary Richard Hoskins (resigned 23 September 2020)
Minakshi Kidia (resigned 15 April 2020)
Ian Charles Powell (appointed 23 September 2020, resigned 23 July 2021)

Qualifying third party indemnity provisions

The Company maintains directors' and officers' insurance which is reviewed annually.

Directors' report (continued)
For the year ended 31 December 2020
Directors' responsibilities statement

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

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 International Financial Reporting Standards (IFRS) as adopted by the EU.

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, 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.

Director's confirmations

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company;
- The strategic report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face;
- The financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's position and performance.

This report was approved by the board and signed on its behalf.



David Kenneth Duggins
Director

Date: 1 February 2022

Intu MH Group Limited

**Statement of profit or loss and other comprehensive income
For the year ended 31 December 2020**

	Note	2020 £000	2019 £000
Administrative expenses		-	(1)
Profit/(loss) from operations		-	(1)
Impairment of investments in subsidiaries		-	(86)
Profit/(loss) before tax		-	(87)
Tax expense	6	-	-
Profit/(loss) for the year		-	(87)

The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure and therefore made no profit or loss.

The notes on pages 12 to 16 form part of these financial statements.

Intu MH Group Limited
Registered number: 03348583

Statement of financial position
As at 31 December 2020

	Note	2020 £000	2019 £000
Assets			
Non-current assets			
Investment in subsidiaries	7	-	-
Total assets		-	-
Liabilities			
Current liabilities			
Trade and other liabilities	8	3	3
		3	3
Total liabilities		3	3
Net liabilities		(3)	(3)
Issued capital and reserves	10		
Share capital	9	70	70
Retained earnings		(73)	(73)
TOTAL EQUITY		(3)	(3)

For the year ending 31 December 2020 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements on pages 7 to 16 were approved and authorised for issue by the board of directors and were signed on its behalf by:



David Kenneth Duggins
Director

Date: 1 February 2022

The notes on pages 12 to 16 form part of these financial statements.

Intu MH Group Limited

**Statement of changes in equity
For the year ended 31 December 2020**

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2019	70	14	84
Comprehensive income for the year			
Loss for the year	-	(87)	(87)
Total comprehensive income for the year	-	(87)	(87)
At 31 December 2019	70	(73)	(3)
At 1 January 2020	70	(73)	(3)
At 31 December 2020	70	(73)	(3)

The notes on pages 12 to 16 form part of these financial statements.

Intu MH Group Limited

**Statement of cash flows
For the year ended 31 December 2020**

	2020 £000	2019 £000
Cash flows from operating activities		
Profit/(loss) for the year	-	(87)
Adjustments for		
Impairment of investment in subsidiaries	-	86
	-	(1)
Movements in working capital:		
Increase in trade and other payables	-	1
Cash and cash equivalents at the end of the year	-	-

The notes on pages 12 to 16 form part of these financial statements.

Intu MH Group Limited

Notes to the financial statements For the year ended 31 December 2020

1. Reporting entity

Intu MH Group Limited (the 'Company') is a limited company incorporated in England and Wales. The Company's registered office is at 2nd Floor, 168 Shoreditch High Street, London, E1 6RA. The Company's principal activity is the holding of investment.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations as adopted by the EU (collectively IFRSs). They were authorised for issue by the Company's board of directors on 01 February 2022.

The entity has transitioned to IFRS during the year and there has been no material effect upon transition.

Details of the Company's accounting policies, including changes during the year, are included in note 4.

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgments and estimates have been made in preparing the financial statements and their effects are disclosed in note 5.

2.1 Basis of measurement

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

2.2 Changes in accounting policies

i) New standards, interpretations and amendments effective from 1 January 2020

The following have been applied for the first time from 1 January 2020 but did not have a material impact on the financial statements:

- IFRS 3 (amendment) Business Combinations
- IAS 1 (amendment) Presentation of Financial Statements
- IAS 8 (amendments) Accounting Policies, Changing in Accounting Estimates and Errors
- IFRS 17 Insurance Contracts
- IFRS 9, IFRS 7 and IAS 39 (amendment) Financial Instruments
- IFRS 16 (amendments) Leases

ii) New standards, interpretations and amendments not yet effective

The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

- IAS Presentation of Financial Statements
- IFRS 9, IFRS 7 and IAS 39 (amendments) Financial Instruments
- IFRS 4 (amendments) Insurance contracts
- IAS 16 (amendments) Property, Plant and Equipment

**Notes to the financial statements
For the year ended 31 December 2020**

2. Basis of preparation (continued)

ii) New standards, interpretations and amendments not yet effective (continued)

- IAS 37 (amendments) Provisions, Contingent Liabilities and Contingent Assets
- IFRS 3 (amendments) Business Combinations
- IAS 41 (amendments) Agriculture

The directors anticipate that the adoption of these Standards in future periods may have an impact on the results and net assets of the Company, however, it is too early to quantify this.

The directors anticipate that the adoption of other Standards and interpretations that are not yet effective in future periods will only have an impact on the presentation in the financial statements of the Company.

3. Functional and presentation currency

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

4. Accounting policies

4.1 Going concern

On 26 June 2020, following unsuccessful negotiations with lenders for a standstill to group entities, intu properties plc (the ultimate parent company of the Company at that time) entered administration. On 28 July 2021 the Company became a wholly owned subsidiary of Merry Hill Bidco Limited.

The Company has not traded for a number of years, has minimal liabilities and has fully impaired all remaining assets.

In light of the above factors the directors are considering the structure of the group going forward and intend to liquidate or dissolve the Company within the going concern period.

Having carefully considered the Company's future prospects, the directors have formed the judgement that it is not appropriate to prepare the financial statements on the going concern basis.

There are no adjustments to the financial statements due to this change as the assets and liabilities were already held at their recoverable amounts.

4.2 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

4.3 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the financial statements
For the year ended 31 December 2020

5. Accounting estimates and judgments

The preparation of financial statements in conformity with the Company's accounting policies requires management to make judgements and use estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these judgements and estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those judgements and estimates.

– critical accounting judgements

Going concern – when preparing the financial statements, management is required to make an assessment of the entity's ability to continue as a going concern and prepare the financial statements on this basis unless it either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. As set out in going concern, there are events or conditions that indicate a material uncertainty exists in relation to going concern.

Having carefully considered the Company's financial position and its future prospects, the directors have formed the judgement that it is appropriate to prepare the financial statements on the going concern basis.

6. Tax expense

6.1 Income tax recognised in profit or loss

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to losses for the year are as follows:

	2020 £000	2019 £000
Profit/(loss) for the year	-	(87)
Profit/(loss) before income taxes	-	(87)
Tax using the Company's domestic tax rate of 19% (2019:19%)	-	(17)
Expenses not deductible for tax purposes, other than impairment	-	17
Total tax expense	-	-

Changes in tax rates and factors affecting the future tax charges

There were no factors that may affect future tax charges

Intu MH Group Limited

Notes to the financial statements For the year ended 31 December 2020

7. Subsidiaries

Details of the Company's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Proportion of ownership interest and voting power held by the Company (%)	
		2020	2019
1) Intu MH Holdings Limited*	Dormant	100	100
2) Intu MH Acquisitions Limited*	Dormant	100	100
3) Intu MH Participations Limited*	Dormant	100	100

*The company's registered office is 2nd Floor, 168 Shoreditch High Street, London, E1 6RA.

8. Trade and other payables

	2020 £000	2019 £000
Payables to related parties	3	3
Total trade and other payables	3	3

9. Share capital

Authorised

	2020 Number	2020 £000	2019 Number	2019 £000
Shares treated as equity				
Ordinary shares of £1.00 each	70,000	70	70,000	70
	70,000	70	70,000	70

Issued and fully paid

	2020 Number	2020 £000	2019 Number	2019 £000
Ordinary shares of £1.00 each				
At 1 January and 31 December	70,000	70	70,000	70

10. Reserves

Retained earnings

The Retained earnings comprises all current and prior period retained profits and losses.

Notes to the financial statements
For the year ended 31 December 2020

11. Financial instruments - fair values and risk management

11.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2020	Note	Carrying amount	
		Amortised	Total
		cost £000	£000
Financial liabilities not measured at fair value			
Payables to related parties	8	3	3
		<hr/>	<hr/>
		3	3

31 December 2019	Note	Carrying amount	
		Amortised cost	Total
		£000	£000
Financial liabilities not measured at fair value			
Payables to related parties	8	3	3
		<u>3</u>	<u>3</u>

12. Related party transactions

There are no related party transactions in the period.

13. Controlling party

The immediate parent company is Intu Merry Hill Limited, a company incorporated and registered in Jersey, Channel Islands, copies of whose financial statements may be obtained from 44 Esplanade, St Helier, Jersey, JE4 9WG.

The ultimate parent company is Merry Hill Newco Limited, a company registered in Jersey, whose financial statements may be obtained from Merry Hill Newco Limited, 22 Grenville Street, St Helier, Jersey, JE4 8PX.

**Notes to the financial statements
For the year ended 31 December 2020**

14. Events after the reporting date

On 25 June 2021 Merry Hill Bidco Limited (a company incorporated in Jersey, and a wholly-owned subsidiary of Merry Hill Newco Limited – also incorporated in Jersey) acquired all of the legal entities which own and operate the Merry Hill Centre. Merry Hill Newco Limited is owned by the secured lenders to Merry Hill.

On 14 January 2022 Ellandi Management Limited were replaced as asset manager by Sovereign Land (Management) Limited.