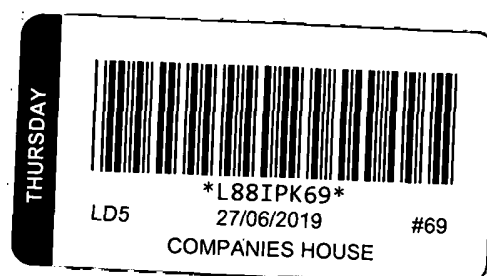


Registration number: 05765286

dmg media Limited

Annual Report and Financial Statements

for the Period from 2 October 2017 to 30 September 2018



dmg media Limited

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dmg media Limited

Company Information

Directors	K J Beatty J J S Welsh
Company secretary	F L Sallas
Registered office	Northcliffe House 2 Derry Street London W8 5TT
Solicitors	Reynolds Porter Chamberlain LLP Tower Bridge House St Katherine's Way London E1W 1AA
Bankers	The Royal Bank of Scotland plc PO Box 32844 Regents House London N1 8FT
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

dmg media Limited

Directors' Report for the Period from 2 October 2017 to 30 September 2018

The directors present their annual report on the affairs of dmg media Limited (the "Company", together with the audited financial statements and Independent Auditors' report for the period from 2 October 2017 to 30 September 2018.

Details of the principal activity, future developments, principal risks and uncertainties and policies where appropriate can be found in the Strategic Report on page 4 form part of this report by cross-reference.

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, as set out in the Operating and Business Review which forms part of the Strategic Report. The Company has positive net assets, however, has net current liabilities at 30 September 2018.

The directors have obtained a letter of support from DMGT plc, and 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.

Directors of the Company

The directors of the Company who were in office during the period and up to the date of signing the financial statements were:

K J Beatty
J J S Welsh

Dividends

The Company have paid no dividends for the period (2017: £nil). The directors do not recommend a payment of a final dividend (2017: £nil).

Principal activity

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

dmg media Limited

Directors' Report for the Period from 2 October 2017 to 30 September 2018

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.

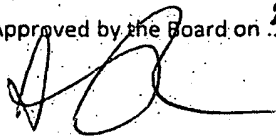
This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Reappointment of auditors

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board on 24.6.19 and signed on its behalf by:



J J S Welsh
Director

dmg media Limited

Strategic Report for the Period from 2 October 2017 to 30 September 2018

The directors present their Strategic Report for the period from 2 October 2017 to 30 September 2018.

Principal activities and future developments

The principal activity of the Company is that of an investment holding company and this is expected to continue for the foreseeable future.

The Company is a wholly owned subsidiary of Daily Mail and General Trust plc ("DMGT") and operates as part of their dmg media division. The performance of the dmg media division of DMGT, which includes this company, is discussed in the group's Annual Report (available at www.dmg.co.uk) which does not form part of this report.

Operating and Business Review

The Company made a profit for the period of £980,000 due to the sale of Pharmacy2U Limited, an unlisted investment, during the period (2017: neither a profit or a loss).

The net assets improved during the period by £980,000 to £568,631,000 (2017: net assets remained at £567,651,000).

Principal risks and uncertainties

The Company exists to hold investments in subsidiary entities. The principal risk therefore is the performance of the Company's investments which the directors monitor regularly. The Company's principal investment is Associated Newspapers Limited. That subsidiary continues to be profitable and cash generative. Regular monthly accounts and forecasts are reviewed to ensure that the carrying value continues to be justified.

Approved by the Board on ^{24.6.19}..... and signed on its behalf by:



.....
J J S Welsh
Director

Date:

dmg media Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS101 used in the preparation of the financial statements; 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 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 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.

Independent auditors' report to the members of dmg media Limited

Report on the audit of the financial statements

Opinion

In our opinion, dmg media Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its profit for the 52 week period (the "period") 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 2018; the Income statement, the Statement of Comprehensive Income, the Statement of Changes in Equity for the 52 week period 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

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 period ended 30 September 2018 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, 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.

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.

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. 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.

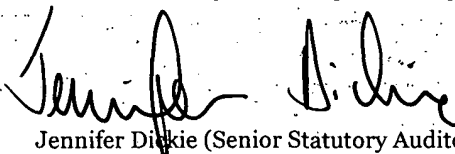
Other required reporting

Companies Act 2006 exception reporting

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

- we have not received 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.



Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

24 June 2019

dmg media Limited

Income statement for the Period from 2 October 2017 to 30 September 2018

		Period ended 30 September 2018 £ 000	Period ended 1 October 2017 £ 000
	Note		
Revenue		-	-
Other gains or losses	8, 4	980	-
Operating profit	5	980	-
Profit before taxation		980	-
Profit for the financial period		980	-

The above results were derived from continuing operations.

dmg media Limited

Statement of Comprehensive Income for the Period from 2 October 2017 to 30 September 2018

	Period ended 30 September 2018 £ 000	Period ended 1 October 2017 £ 000
Profit for the financial period	980	-
Total comprehensive income for the period	980	-

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

dmg media Limited

Statement of Changes in Equity for the Period from 2 October 2017 to 30 September 2018

	Called up share capital £ 000	Retained earnings £ 000	Total shareholders' funds £ 000
At 3 October 2016	<u>7,581</u>	<u>560,070</u>	<u>567,651</u>
At 1 October 2017	<u>7,581</u>	<u>560,070</u>	<u>567,651</u>
	Called up share capital £ 000	Retained earnings £ 000	Total shareholders' funds £ 000
At 2 October 2017	<u>7,581</u>	<u>560,070</u>	<u>567,651</u>
Profit for the period	<u>-</u>	<u>980</u>	<u>980</u>
Total comprehensive income	<u>-</u>	<u>980</u>	<u>980</u>
At 30 September 2018	<u>7,581</u>	<u>561,050</u>	<u>568,631</u>

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

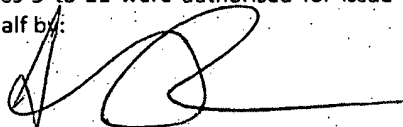
dmg media Limited

(Registration number: 05765286)

Statement of Financial Position as at 30 September 2018

	Note	As at 30 September 2018 £ 000	As at 1 October 2017 £ 000
Fixed assets			
Investments	8	652,226	652,226
Current assets			
Trade and other receivables less than one year	9	980	
Creditors: amounts falling due within one year	10	(84,575)	(84,575)
Net current liabilities		(83,595)	(84,575)
Net assets		568,631	567,651
Capital and reserves			
Called up share capital	11	7,581	7,581
Retained earnings		561,050	560,070
Total shareholders' funds		568,631	567,651

The notes on pages 13 to 21 are an integral part of these financial statements. The financial statements on pages 9 to 21 were authorised for issue by the board of directors on 24.6.2019 and were signed on its behalf by:



J J S. Welsh

Director

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

1. General information

The Company is a private company limited by share capital incorporated in the United Kingdom.

The address of its registered office is:

Northcliffe House

2 Derry Street

London

W8 5TT

United Kingdom

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 periods 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' (FRS101). The Company is a wholly-owned subsidiary of Daily Mail and General Holdings Limited and is included in the consolidated financial statements of Daily Mail and General Trust Plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention as modified for the fair value of certain financial assets and liabilities, and in accordance with the Companies Act 2006. 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 disclosed in note 3.

The annual financial statements are made up to the Sunday nearest to 30 September. The financial period ended 30 September 2018 consists of 52 weeks (2017: 52 weeks).

Summary of disclosure exemptions

Cash Flow Statement

The Company has utilised the exemptions provided under IAS 7 'Statement of Cash Flows' and has not presented a cash flow statement. A consolidated cash flow statement has been presented in the Group's Annual Report.

Related Party Transactions

The Company has taken advantage of the exemptions under IAS 24 "Related party disclosures" not to disclose transactions or balances with entities that are wholly owned subsidiaries of the DMGT Group and not to disclose transactions and emoluments to key management personnel.

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

2 Accounting policies (continued)

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, as set out in the Operating and Business Review which forms part of the Strategic Report. The Company has positive net assets, however, has net current liabilities at 30 September 2018.

The directors have obtained a letter of support from DMGT plc, and 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.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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.

Investments

Investments in subsidiaries and associates are held for the long term and are stated at cost, less any accumulated impairment.

3 Critical accounting judgements and key sources of estimation uncertainty

There were no critical accounting estimates and judgements made in preparing these financial statements.

4 Other gains and losses

The analysis of the company's other gains and losses for the period is as follows:

	Period ended 30 September 2018 £ 000
Profit on sale of investments	980

During the period the Company sold its unlisted investment Pharmacy2U Limited for £980,000 realising a book profit of £980,000 (2017: £nil).

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

5 Operating profit

Fees payable to PricewaterhouseCoopers LLP and their associates for non-audit services to the Company are not required to be disclosed because the Daily Mail and General Trust plc consolidated financial statements disclose such fees on a consolidated basis. Statutory audit fees of £1,000 (2017: £1,000) were borne by Associated Newspapers Limited, a fellow DMGT group subsidiary.

6 Directors' remuneration

The Company had no employees during the period (2017: none) and no remuneration was paid to any director in either period.

K J Beatty is a director of Daily Mail and General Trust plc and his emoluments are fully disclosed in the financial statements of that company. J J S Welsh is a director of Associated Newspapers Limited, a fellow subsidiary, and his emoluments are fully disclosed in the financial statements of that company.

The part of their remuneration in respect of services for the Company is considered immaterial. The key management personnel of the Company is considered to be the same as the directors of the Company.

7 Tax on profit

The tax on profit on ordinary activities before taxation for the period is lower than the standard rate of corporation tax in the UK (2017 - same as the standard rate of corporation tax in the UK) of 19% (2017 - 19.5%).

The differences are reconciled below:

	Period ended 30 September 2018 £ 000	Period ended 1 October 2017 £ 000
Profit before taxation	980	-
Corporation tax at standard rate 19% (2017: 19.5%)	186	-
Decrease from effect of expenses not deductible in determining taxable profit	(186)	-
Total tax	-	-

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate, to reduce the rate to 17% from 1 April 2020.

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

8 Investments

	Subsidiaries £ 000	Unlisted Investments £ 000	Total £ 000
Cost or valuation			
At 2 October 2017	652,640	967	653,607
Disposals		(967)	(967)
At 30 September 2018	652,640		652,640
Provision			
At 2 October 2017	(414)	(967)	(1,381)
Eliminated on disposals	-	967	967
At 30 September 2018	(414)		(414)
Carrying amount			
At 30 September 2018	652,226		652,226
At 1 October 2017	652,226		652,226

Subsidiaries

Details of the subsidiaries as at 30 September 2018 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and registered office	Proportion of ownership interest and voting lefts held 2018
Harmsworth Printing Limited	Dormant	United Kingdom	100%
A&N Media Finance Services Limited	Provision of finance and IT services	United Kingdom	100%
Associated Newspapers Limited	Publisher of national newspapers and manager of websites	United Kingdom	100%
Mail Services Limited (formerly Ex TTH Limited)	Finance Dormant company	United Kingdom	100%
Northcliffe Limited	Media Dormant	United Kingdom	100%

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

8. Investments (continued)

The registered office for Harmsworth Printing Limited, A&N Media Finance Services Limited, Associated Newspapers Limited, Northcliffe Media Limited and Mail Finance Services Limited (formerly Ex TTH Limited) is:-

Northcliffe House
2 Derry Street
London
W8 5TT

The Company indirectly owns 100% of the following subsidiary companies:-

Associated Metro Holdings Limited (Jersey) an investment holding company. The registered address of this company is:-

15 Esplanade
St Helier
Jersey
JE1 1RB

Harmsworth Quays Printing Limited - a dormant company

Harmsworth Printing (Didcot) Limited - a dormant company

Associated Newspapers (Ireland) Holdings Limited - an investment holding company

MailLife Financial Services Limited

Daily Mail Limited - a dormant company

The Mail on Sunday Limited - a dormant company

Justice for Sgt Blackman Ltd - a dormant company

The registered address of the above companies is:-

Northcliffe House
2 Derry Street
London
W8 5TT

Stennet Websites plc - a dormant company

The registered address of this company is:-

Third Floor
Embassy House
Herbert Park Lane
Ballsbridge
Dublin 4

DMG Ireland Holdings Limited - a company in liquidation

Barry Caldwell & Co
135 Hillside
Greystones
Co Wicklow
Ireland

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

8. Investments (continued)

Associates

Details of the associates as at 30 September 2018 are as follows:

Name of associate	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2018	2017
Web 2 d.o.o	Dormant	Serbia and Montenegro	51%	51%

The registered office of the above company is:-

Park Rajhl Ferenc 8
24000 Subotica
Severno-Bački
Serbia

The Company indirectly has investments in the following associates:-

ES London Limited a newspaper publisher (30% held investment) the registered office of this company is:-

Northcliffe House
2 Derry Street
London
W8 5TT

Northprint Manchester Limited dormant company (50% held investment) the registered office of this company is:-

PO BOX 68164 Kings Place
90 York Way
London
N1P 2AP

The directors believe that the carrying value of associates is supported by their underlying net assets.

Unlisted investments

During the period the Company sold its shares in Pharmacy2U Limited resulting in a book profit of £980,000.

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

9 Trade and other receivables less than one year

	30 September 2018 £ 000	1 October 2017 £ 000
Amounts due from group undertakings	980	-
Total current trade and other receivables	<u>980</u>	<u>-</u>

Amounts due from group undertakings are interest free and repayable on demand.

10 Creditors: amounts falling due within one year

	As at 30 September 2018 £ 000	As at 1 October 2017 £ 000
Amounts owed to group undertakings	<u>84,575</u>	<u>84,575</u>

Amounts owed to group undertakings are interest free and repayable on demand.

11 Called up share capital

	Period ended 30 September 2018 Number 000	£	Period ended 1 October 2017 Number 000	£
Ordinary shares of £1 each	<u>7,581</u>	<u>7,581</u>	<u>7,581</u>	<u>7,581</u>

12 Related party transactions

The Company has taken advantage of the exemption under paragraph 3(c) of IAS24 not to disclose transactions or balances with entities of the DMGT Group. No other related party transactions occurred in the period.

dmg media Limited

Notes to the Financial Statements for the Period from 2 October 2017 to 30 September 2018

13 Ultimate parent company and controlling party

The Company is controlled by Rothermere Continuation Limited (RCL), which is incorporated in Bermuda. RCL is owned by a trust ("the Trust") which is held for the benefit of Viscount Rothermere, who is a director of Daily Mail and General Trust plc, and his immediate family. The Trust represents the ultimate controlling party of the Company. The Company's immediate parent undertaking at the balance sheet date is Daily Mail and General Holdings Limited.

The ultimate parent is Rothermere Continuation Limited (RCL).

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 Daily Mail and General Trust Plc, incorporated in the United Kingdom.

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

Northcliffe House

2 Derry Street

London

UK

W8 5TT