

Registered number: 10618673

METROPOLIS GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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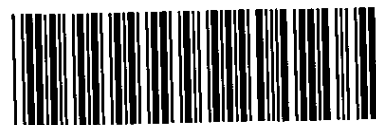


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METROPOLIS GROUP LIMITED

COMPANY INFORMATION

Directors	J G Mills E A Lazarus
Company secretary	R Hutchinson
Registered number	10618673
Registered office	7th Floor, Vantage London Great West Road London TW8 9AG
Independent auditors	Holeys Limited 15/17 North Park Road Harrogate North Yorkshire HG1 5PD
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN

METROPOLIS GROUP LIMITED

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METROPOLIS GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for year ended 31 December 2021.

Business review

Metropolis Group is a media and technology group, established in 1994. It currently employs approximately 400 people and has operations in West London, Croydon, Shoreditch, Bolton, Plymouth, Dublin and Chester.

The principal activity of the group is business and consumer media, including websites, magazines, events, exhibitions and conferences delivered in face to face, print and digital formats.

Metropolis has become over the last decade one of the largest, leading and fastest growing B2B media operators in the UK, with a substantially re-engineered business model delivering long term sustainable revenues based on a multi-media multi-platform strategy focused on the high value audiences it serves.

The Group continues to seek growth both organically and through acquisitions - in media, technology and other industries.

Covid-19 pandemic

During 2021 the group, for the first part of the year, continued its successful program of virtual and online events. With the removal of Covid-19 related restrictions in the second half of the year, we started holding live events once more from September 2021 and this programme continued through to the end of the year. At the same time, we continued running virtual events where appropriate and see virtual events as an ongoing part of our offering. We are planning 2022 on the basis that live events will be possible throughout the year.

Print and digital advertising revenues saw a continued recovery through 2021 with digital advertising in particular coming back more strongly than expected in many areas.

Strategy, vision and mission

Within its media operations, the Group's vision is to create long-term sustainable profitable futures for the brands it owns. Its mission in media is to engage deeply with its industry communities across multiple platforms, serving its audiences with insightful journalism, great events, information, insight and networking connections to enable them to successfully develop their businesses and careers.

	2021 £000	2020 £000
Turnover	44,071	32,262
EBITDA	7,527	1,241
Cash at bank	14,476	11,755

METROPOLIS GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The results for the year (summarised above) show turnover of £44,071,000. This compares to £32,262,000 in 2020. EBITDA (Earnings before interest, tax, depreciation and amortisation) of the group was £7,527,000 compared to £1,241,000 in 2020. The Group made charitable donations of £9,120 in 2021 (2020: £3,209).

At year end the group had cash at bank of £14,476,000 compared to £11,755,000 in 2020.

The Directors are pleased with the progress of the group despite the challenges posed by Covid-19.

The group continued to re-engineer its digital platform as part of its media neutral strategy, while focusing on innovation through new event launches and the development of existing events. Revenues from events, although recovering well, were still temporarily reduced in 2021 by the ongoing impact of the pandemic. The revenue mix in 2021 and 2020 was:

	2021 %	2020 %
Events and virtual events	36	16
Subscriptions	22	29
Digital marketing solutions	23	28
Print advertising	16	23
Other revenues	3	4

During the year the group acquired Cyclist, Viz and Fortean Times from Broadleaf, previously owned by Dennis Publishing. Cyclist is the leading road cycling media brand, Viz is Britain's leading humour magazine, and Fortean Times the monthly magazine on strange phenomena.

Key Performance Indicators

The key performance indicators for the group are EBITDA and EBITA.

EBITDA excluding investment income for the last 5 years is as follows:

	2017 £000	2018 £000	2019 £000	2020 £000	2021 £000
EBITDA	7,661	7,433	7,670	1,241	7,527

In order for the group to have a better understanding of its ongoing business, it also tracks underlying EBITA which excludes investment income, exceptional costs and major businesses which are no longer part of the group. Underlying EBITA for the last 5 years is as follows:

	2017 £000	2018 £000	2019 £000	2020 £000	2021 £000
EBITA	7,574	7,347	7,395	970	7,310

The group additionally tracks organic growth, revenue mix, cashflow and investment IRR.

Risks

The management of the business and the implementation of the group's strategy are subject to a number of risks. These are monitored by the board and procedures are in place to reduce them to an acceptable level. The key business risks are:

a) The impact of the Covid-19 pandemic

With the gradual lifting of Covid-19 related restrictions in the UK during 2021, we were able to start holding live events once again in the latter months of the year. These were on the whole very successful. Should there be a return of lockdowns or other similar restrictions or government guidance during 2022, we would have to either move planned live events to a

METROPOLIS GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

virtual format which would most likely result in lower revenue and profits, or potentially postpone them to a later date.

b) Adverse changes in government legislation, taxation or regulation.

c) Disaster

Acts of terrorism in the UK, overseas conflicts, another pandemic or a natural disaster would affect the group's businesses as there may be a contraction in advertising spend and reduced attendance at exhibitions, events and conferences. This risk could particularly have an impact upon an event held in the location of the disaster. For larger events there will be a limitation on finding an alternative large venue at short notice.

d) The general economic climate

Inflation, fluctuations in currency exchange or interest rates and changes to supply and demand all have an impact on business costs. The group's operations, business and profitability are affected by these factors, which are beyond the control of the group. Any material decrease in advertising budgets could have an adverse impact upon the demand for attendance at the group's events and could reduce the demand for advertising. We believe these risks are partially mitigated by the diverse sectors the group has invested in. The company's brands are mostly market leaders in their sectors which mitigates the risk of reduced demand.

e) The group's markets

Changes in technology, new entrants to the markets in which the group operates and alternative competitor products may adversely affect the group's businesses. The group continues to invest in its products to mitigate against this risk and will seek to enforce its intellectual property rights to protect brands where this is necessary.

f) International markets

Whilst the group's businesses are primarily in the UK the following risks could have a material adverse effect on the group's future international operations in certain jurisdictions: economic and political uncertainties and social unrest, limitations on the ability to exercise legal rights, state imposed business restrictions and adverse changes to government legislation.

g) Print advertising revenue trends

There is a structural industry wide decline in print advertising. We continue to organically grow new event and digital revenue streams, whilst continuing to provide print as part of a mix of products available to readers and advertisers. The print advertising risk has been managed by virtue of this growth in non-print revenues.

h) Increases in paper, postage, event venue or other third party costs

Significant increases may have a material adverse effect on profitability if the group is unable to pass these onto its customers. This is mitigated as revenue is derived from many different revenue streams e.g. print, face to face and digital. There is no dependence on a single supplier. Paper costs in particular have increased significantly in 2022, though only represent approximately 1% of turnover.

i) Brexit

Brexit and Post Brexit trade negotiations led to some uncertainty in 2020 but this has now reduced. The board continues to monitor developments and the impact on the macro economic environment.

j) Failure of information systems/security breach arising from a cyber security attack

The group's businesses would be interrupted if there was a failure to its IT systems from power loss, telecommunications failures, sabotage, vandalism, general disruption or a cyber security attack. The group continues to invest in this area and the majority of systems are now cloud based, which also utilise offsite back-up facilities as well as third parties to host websites. IT capabilities are in place to support remote working and this has been successfully adopted.

k) Recruitment and retention of staff

Recruiting and retaining highly skilled staff is a priority. Difficulties and delays in being able to recruit new or replacement experienced people would cause a challenge to the business. Recruitment in particular has become more challenging in 2022 following the pandemic and the group has increased its internal recruitment capacity and is making increased use of jobs boards, social media, and refer a friend schemes to mitigate this.

METROPOLIS GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Research and development

The group undertakes research and development activity specifically relating to developing software to provide innovative solutions to its customers.

Future Developments

In the medium term, the group plans to continue its strategy of growth by acquisition and development of existing business areas.

In particular the group is focused on deepening its engagement with the niche communities and industries it serves, developing existing and launching new in person events and virtual events, and further monetising online audiences through subscriptions and digital marketing solutions. The business has planned over 100 large events in 2022 including 17 virtual events.

Cultural values

Entrepreneurial: innovative, profit orientated, non bureaucratic. The Group continues to grow and develop new products and brand extensions, most notably developing and launching new virtual events since 2020.

Efficient: cost conscious, dynamic, hard working. The group's focus on fit for purpose technology has achieved substantial savings and business improvements in the areas of CRM, ESP and audience analytics in particular.

Collaborative: team based and focused on brand. Across the group the business operates in cross disciplinary empowered teams – content, commercial and events working together closely, supported by marketing, finance, digital and audience specialisms. The strength of the group's more than 40 brand teams and support functions was demonstrated by the rapid adaptation to home working during the pandemic.

Equal opportunity: the group is committed to fostering diversity, fairness, inclusion and mutual respect. It is committed to being an equal opportunity and diverse business. The group has adopted processes to ensure consistency and fairness in recruitment, diverse shortlists and diverse recruitment panels. Thirteen brand editorial teams have voluntarily joined the BBC's 50:50 Equality Project to deliver a stronger female voice in our media content for the audiences we serve.

Engagement with employees

The group holds regular meetings with employees to provide information about the business and its development. In these sessions we share ideas and experiences both ways and use them as an opportunity to share best practice.

Employment of disabled persons

The group gives full consideration to applications for employment from disabled persons. Opportunities are available to disabled employees for training, career development and promotion. If an existing employee becomes disabled the group's policy is to provide continuing employment where practical in the same or an alternative position.

Environmental sustainability

The group continues to focus on being environmentally sustainable. The group uses sustainable paper sources for its magazines, and has improved sustainability at the events it organises.

METROPOLIS GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Engagement with customers, suppliers and others

The group engages with existing and potential customers on a daily basis to understand requirements and manage expectations with an aim to achieve customer objectives through innovative product offerings and customer focused solutions resulting in positive customer experience and satisfaction, while at the same time generating profitable revenue.

The group has long and well-established relationships with its key suppliers. It engages with them when appropriate for negotiations on terms and conditions of supply and the group ensures that it complies with these. The group also considers the impact of strategic decisions on key suppliers and works with them to deliver innovative products and solutions.

The group engages in charitable activities within the sectors it serves which includes running charitable events, it also matches funds raised by employees for community charities.

Energy and carbon reporting

The group's trading subsidiaries do not meet the size thresholds for reporting on energy use and carbon emissions. The parent company itself consumed less than 40,000 kWh of energy during the year and on this basis is exempt from disclosure on energy use and carbon emissions.

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



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R Hutchinson
Secretary

Date: 13 April 2022

METROPOLIS GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic Report Information regarding future developments, engagement with stakeholders and risk exposure are dealt with in the Strategic Report under S414C(11) of the Companies Act.

Directors

The directors who served during the year were:

J G Mills
E A Lazarus

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

METROPOLIS GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Auditors

The auditors, Holeys Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



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R Hutchinson
Secretary

Date: 13 April 2022

METROPOLIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF METROPOLIS GROUP LIMITED

Opinion

We have audited the financial statements of Metropolis Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (*United Kingdom Generally Accepted Accounting Practice*).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with *United Kingdom Generally Accepted Accounting Practice*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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 Group's or the parent 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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.

METROPOLIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF METROPOLIS GROUP LIMITED (CONTINUED)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

METROPOLIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF METROPOLIS GROUP LIMITED (CONTINUED)

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 auditor's 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group and parent company through discussions with directors and other management, and from our commercial knowledge and experience of the publishing sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, FRS 102, taxation legislation and data protection, anti-bribery, employment, environmental, UK government COVID-19 support schemes including the Coronavirus Jobs Retention Scheme (CJRS) and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and these were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- Communication with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Identify and assess the risks of material misstatement of the group's or the parent company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management and those charged with governance as to actual and potential litigation and claims

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial

METROPOLIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF METROPOLIS GROUP LIMITED (CONTINUED)

statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. The approach adopted above has been tailored to reflect the remote working resulting from COVID-19 and therefore imposes limits on our ability to detect irregularities including fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



**Paul Stephenson (Senior Statutory Auditor)
For and on behalf of Holeys Limited
Chartered Accountants
Statutory Auditor**

15/17 North Park Road
Harrogate
North Yorkshire
HG1 5PD

13 April 2022

METROPOLIS GROUP LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021	2020
Turnover	4	44,071	32,262
Cost of sales		(27,191)	(23,168)
Gross profit		<u>16,880</u>	<u>9,094</u>
Administrative expenses		(12,480)	(12,660)
Other operating income	5	103	1,410
Operating profit/(loss)	6	<u>4,503</u>	<u>(2,156)</u>
(Loss)/income from fixed assets investments	10	-	(1,095)
Interest receivable and similar income	11	-	4
Interest payable and expenses	12	(102)	(216)
Profit/(loss) before taxation		<u>4,401</u>	<u>(3,463)</u>
Tax on profit/(loss)	13	(1,344)	36
Profit/(loss) for the financial year		<u><u>3,057</u></u>	<u><u>(3,427)</u></u>
Profit/(loss) for the year attributable to:			
Non-controlling interests		17	59
Owners of the parent Company		3,040	(3,486)
		<u><u>3,057</u></u>	<u><u>(3,427)</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

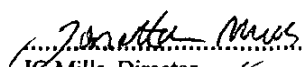
The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED
REGISTERED NUMBER: 10618673

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021	2020
Fixed assets			
Intangible assets	15	27,164	27,161
Tangible assets	16	223	356
		<u>27,387</u>	<u>27,517</u>
Current assets			
Stocks	19	9	42
Debtors: amounts falling due within one year	20	10,390	8,717
Cash at bank and in hand	21	14,476	11,755
		<u>24,875</u>	<u>20,514</u>
Creditors: amounts falling due within one year	22	(21,160)	(19,126)
Net current assets		<u>3,715</u>	<u>1,388</u>
Total assets less current liabilities		<u>31,102</u>	<u>28,905</u>
Creditors: amounts falling due after more than one year	23	(2,221)	(2,850)
Provisions for liabilities			
Other provisions	27	(131)	(261)
		<u>(131)</u>	<u>(261)</u>
Net assets		<u>28,750</u>	<u>25,794</u>
Capital and reserves			
Called up share capital	28	49,694	49,694
Foreign currency translation reserve		(54)	-
Other reserves		(73,691)	(73,732)
Profit and loss account		52,562	49,610
Equity attributable to owners of the parent Company		<u>28,511</u>	<u>25,572</u>
Non-controlling interests		239	222
		<u>28,750</u>	<u>25,794</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


 IG Mills, Director
 Date: 13 April 2022

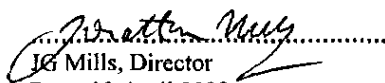
The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED
REGISTERED NUMBER: 10618673

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		2021	2020
	Note		
Fixed assets			
Investments	17	55,000	55,000
		<u>55,000</u>	<u>55,000</u>
Current assets			
Debtors: amounts falling due within one year	20	8,712	8,709
		<u>8,712</u>	<u>8,709</u>
Creditors: amounts falling due within one year	22	(152)	(135)
		<u></u>	<u></u>
Net current assets		8,560	8,574
		<u>8,560</u>	<u>8,574</u>
Total assets less current liabilities		63,560	63,574
		<u>63,560</u>	<u>63,574</u>
Net assets		63,560	63,574
		<u>63,560</u>	<u>63,574</u>
Capital and reserves			
Called up share capital	28	49,694	49,694
Profit and loss account brought forward		13,880	13,992
Loss for the year		(14)	(47)
Other changes in the profit and loss account		-	(65)
		<u>13,866</u>	<u>13,880</u>
Profit and loss account		13,866	13,880
		<u>13,866</u>	<u>13,880</u>
		<u>63,560</u>	<u>63,574</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


 JG Mills, Director
 Date: 13 April 2022

The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Foreign exchange reserve	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
At 1 January 2020	49,694	-	(73,732)	53,161	29,123	163	29,286
Comprehensive income for the year							
(Loss)/ profit for the year	-	-	-	(3,486)	(3,486)	59	(3,427)
Contribution to employee benefit trust	-	-	-	(65)	(65)	-	(65)
At 1 January 2021	49,694	-	(73,732)	49,610	25,572	222	25,794
Comprehensive income for the year							
Profit for the year	-	-	-	3,040	3,040	17	3,057
Foreign currency translation differences	-	(54)	-	-	(54)	-	(54)
Dividends: Equity capital	-	-	-	(47)	(47)	-	(47)
Transfer to/from profit and loss account	-	-	41	(41)	-	-	-
At 31 December 2021	49,694	(54)	(73,691)	52,562	28,511	239	28,750

The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
At 1 January 2020	49,694	13,992	63,686
Comprehensive income for the year			
Loss for the year	-	(47)	(47)
Contribution to employee benefit trust	-	(65)	(65)
At 1 January 2021	49,694	13,880	63,574
Loss for the year	-	(14)	(14)
At 31 December 2021	49,694	13,866	63,560

The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
Cash flows from operating activities		
Operating (loss)/profit	4,503	(2,156)
Adjustments for:		
Amortisation of intangible assets	2,762	3,099
Depreciation of tangible assets	217	271
Decrease in stocks	33	17
(Increase)/decrease in debtors	(1,475)	1,070
Increase/(decrease) in creditors	597	(25)
(Decrease) in provisions	(130)	(130)
Corporation tax (paid)	(550)	(872)
Net cash generated from operating activities	5,957	1,274
Cash flows from investing activities		
Payments to acquire goodwill and assets	(2,207)	-
Receipt on disposal of investments, goodwill and net assets	-	77
Purchase of tangible fixed assets	(80)	(153)
Sale of short term listed investments	-	15,410
Interest received	-	4
Dividends received	-	102
Net cash from investing activities	(2,287)	15,440
Cash flows from financing activities		
Repayment of long term bank loan and overdraft	(800)	(6,600)
Dividends paid	(47)	-
Interest paid	(102)	(189)
Net cash used in financing activities	(949)	(6,789)
Cash and cash equivalents at beginning of year	11,755	1,830
Cash at bank and in hand at the end of year	14,476	11,755

The notes on pages 18 to 36 form part of these financial statements.

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Metropolis Group Limited is a private limited company domiciled and incorporated in England and Wales. The registered office is 7th Floor, Vantage London, Great West Rd, London, TW8 9AG. Metropolis Group Limited is a company limited by shares.

2. Accounting policies

2.1 Basis of preparation of financial statements

The Group's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the group for the year ended 31 December 2021.

The financial statements are prepared under the historical cost convention.

The financial statements of Metropolis Group Limited were approved for issue by the Board of Directors on 31 March 2022. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the group.

2.2 Basis of consolidation

The Group financial statements of Metropolis Group Limited and all its subsidiary undertakings are drawn up to 31 December each year. No profit and loss account is presented for Metropolis Group Limited as permitted by section 408 of the Companies Act 2006. Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

2.3 Going concern

The directors at the time of approving the financial statements have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis of accounting has continued to be used in preparing the financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Revenue recognition

Turnover represents amounts receivable for goods and services provided excluding taxes and trade discounts. Turnover is recognised as follows:

Advertising, copy sales and subscription revenue from printed products is recognised in the period in which the printed product is distributed to the customer and the right to payment has been earned.

Online advertising, online access and subscription revenue is recognised in the period the service is delivered, in the case of advertising revenue this is the period the advertisement remains online and is allocated to periods on a straight line basis.

Events, conference and exhibition revenue is recognised over the period of the event, conference or exhibition takes place.

Commission revenue is recognised in the period in which the related service is provided and the right to payment has been earned.

Dividends and interest received are recognised on a receipt basis.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102. The exemption allows lease incentives on leases entered into before the date of transition to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the group is expected to benefit.

2.8 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure as permitted by FRS 102.

2.9 Interest income

Interest income is recognised in profit or loss on receipt.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse.

2.13 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

The estimated useful lives range as follows:

Goodwill	-	5-20 years
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METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3-5 years at cost
Motor vehicles	- 5 years at cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

2.15 Equity investments

Equity investments are recognised initially at fair value which is the transaction price. Subsequently, they are measured at fair value through the profit or loss.

2.16 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there are any indications that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

2.17 Stock and work in progress

Stock is valued at the lower of cost and net realisable value.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.22 Financial instruments

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The group does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.23 Audit exemption

The group has taken advantage of section 479A Companies Act 2006 from the requirement for the subsidiary undertakings Innovare Media Limited, Metropolis Financial Platforms Limited, Crambeth Allen Publishing Limited, Metropolis Group Holdings Limited, Cyclist Holdings Limited, Viz Holdings Limited and Fortean Times Holdings Limited to be subject to audit.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Turnover

Analysis of turnover by country of destination:

	2021	2020
United Kingdom	36,850	26,523
EU and Rest of the world	7,221	5,739
	<u>44,071</u>	<u>32,262</u>

5. Other operating income

	2021	2020
Government grants receivable	103	1,410
	<u>103</u>	<u>1,410</u>

Government grants represent monies received from the United Kingdom Government under the Coronavirus Job Retention Scheme and the Republic of Ireland Government under the Employment Wage Subsidy Scheme.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021	2020
Depreciation of owned assets	217	271
Amortisation of goodwill	2,762	3,099
Exchange differences	(20)	89
Other operating lease rentals	1,058	983
Auditors remuneration	47	46
	<u>4,064</u>	<u>4,488</u>

7. Auditors' remuneration

	2021	2020
Audit of the financial statements	14	14
Audit of subsidiaries	33	32
	<u>47</u>	<u>46</u>

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Staff costs

	2021	2020
	Number	Number
	£000	£000
The average monthly number of employees (including directors) during the year was:		
Production and editorial	171	174
Sales	115	143
Administration	131	138
	<u>417</u>	<u>455</u>
Employment costs		
Wages and salaries	15,841	16,365
Social security costs	1,689	1,696
Other pension costs	483	458
	<u>18,013</u>	<u>18,519</u>

Included in other pension costs is £483,000 (2020: £458,000) in respect of group defined contribution schemes.

9. Directors' remuneration

	2021	2020
Aggregate remuneration in respect of qualifying services	10	13
Aggregate remuneration of highest paid director	<u>10</u>	<u>10</u>

10. Income/(loss) from fixed assets investments

	2021	2020
(Loss)/gain from fixed asset investments	-	(1,197)
Dividends received	-	102
	<u>-</u>	<u>(1,095)</u>

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Interest receivable

	2021	2020
Other interest receivable	-	4
	<u>-</u>	<u>4</u>
	<u>-</u>	<u>4</u>

12. Interest payable and similar expenses

	2021	2020
On other loans wholly repayable within five years	102	189
Other interest	-	27
	<u>102</u>	<u>216</u>
	<u>102</u>	<u>216</u>

13. Taxation

	2021	2020
Corporation tax		
Current tax on profits for the year	1,307	667
Tax over-provided in previous periods	(21)	(73)
	<u>1,286</u>	<u>594</u>
Deferred tax		
Origination and reversal of timing differences	58	136
Reversal of previously provided deferred tax on unrealised gain following sale of listed investments	-	(755)
Tax over-provided in previous periods	-	(11)
	<u>58</u>	<u>(630)</u>
	<u>58</u>	<u>(630)</u>
Taxation on profit/(loss) on ordinary activities	<u>1,344</u>	<u>(36)</u>
	<u>1,344</u>	<u>(36)</u>

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
Profit/(loss) on ordinary activities before tax	4,401	(3,463)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	836	(658)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	4
Amortisation	536	588
Difference in overseas tax rates	(7)	(11)
Adjustments to tax charge in respect of prior periods	(21)	(84)
Non-taxable income	-	(19)
Capital gains	-	167
Tax deductible costs	-	(23)
Total tax charge for the year	1,344	(36)

14. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £13,500 (2020 - loss of £47,063)

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Intangible assets

Group

	Goodwill
Cost	
At 1 January 2021	57,926
Additions	2,820
Adjustments to goodwill	(55)
At 31 December 2021	<u>60,691</u>
Amortisation	
At 1 January 2021	30,765
Charge for the year on owned assets	2,762
At 31 December 2021	<u>33,527</u>
Net book value	
At 31 December 2021	<u><u>27,164</u></u>
At 31 December 2020	<u><u>27,161</u></u>

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Tangible fixed assets

Group

	Plant and machinery	Motor vehicles	Total
Cost or valuation			
At 1 January 2021	2,531	40	2,571
Additions	75	9	84
Disposals	(25)	-	(25)
At 31 December 2021	<u>2,581</u>	<u>49</u>	<u>2,630</u>
Depreciation			
At 1 January 2021	2,209	6	2,215
Charge for the year on owned assets	206	11	217
Disposals	(25)	-	(25)
At 31 December 2021	<u>2,390</u>	<u>17</u>	<u>2,407</u>
Net book value			
At 31 December 2021	<u>191</u>	<u>32</u>	<u>223</u>
At 31 December 2020	<u>322</u>	<u>34</u>	<u>356</u>

17. Fixed asset investments

Company

	Investments in subsidiary companies
Cost or valuation	
At 1 January 2021	55,000
At 31 December 2021	<u>55,000</u>

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Metropolis Group Holdings Ltd	England & Wales	Holding company	Ordinary	100%
Metropolis International Group Ltd	England & Wales	B2B media	Ordinary	100%
EMAP Publishing Ltd	England & Wales	B2B media	Ordinary	100%
Diamond Publishing Ltd	England & Wales	B2C media	Ordinary	100%
Innovare Media Ltd	England & Wales	B2B media	Ordinary	100%
MPI Media Ltd	Ireland	B2B media	Ordinary	100%
Metropolis Global Ltd	England & Wales	Events	Ordinary	100%
Metropolis International Group Inc	USA	Dormant	Ordinary	100%
Medical Publications (Ireland) Ltd	England & Wales	Dormant	Ordinary	100%
Metropolis International Ltd	England & Wales	Dormant	Ordinary	100%
Metropolis Financial Platforms Ltd	England & Wales	B2B media	Ordinary	100%
Crambeth Allen Publishing Ltd	England & Wales	B2B media	Ordinary	85%
Cyclist Holdings Limited	England & Wales	B2C media	Ordinary	100%
Viz Holdings Limited	England & Wales	B2C media	Ordinary	100%
Fortean Times Holdings Limited	England & Wales	B2C media	Ordinary	100%

Metropolis Group Holdings Limited is the only directly held subsidiary. All the other entities are indirect subsidiaries of Metropolis Group Limited by virtue of direct holdings through either Metropolis Group Holdings Limited, Metropolis International Group Limited or Diamond Publishing Limited.

METROPOLIS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****17. Fixed asset investments (continued)****Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year / period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
Metropolis Group Holdings Ltd	26,084	268
Metropolis International Group Ltd	9,355	974
EMAP Publishing Ltd	25,182	1,409
Diamond Publishing Ltd	3,146	891
Innovare Media Ltd	3,266	66
MPI Media Ltd	934	110
Metropolis Global Ltd	88	109
Metropolis International Group Inc	14	-
Medical Publications (Ireland) Ltd	182	-
Metropolis International Ltd	-	-
Metropolis Financial Platforms Ltd	3,540	743
Crambeth Allen Publishing Ltd	1,591	423
Cyclist Holdings Limited	541	(54)
Viz Holdings Limited	(265)	25
Fortean Times Holdings Limited	(170)	(9)

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

18. Acquisitions

On 30 November 2021, the group acquired 100% of the share capital of Viz Holdings Limited, Fortean Times Holdings Limited and Cyclist Holdings Limited. The principal activities of these businesses comprise providing print and digital content to subscribers and purchasers.

The fair value recognised in respect of the identifiable net assets acquired and liabilities assumed is set out below on an aggregated basis:

	30/11/2021
	£000
Assets and liabilities acquired	
Intangible assets	783
Tangible assets	603
Liabilities	(1,242)
Total identifiable net assets and book value	144
Goodwill	2,036
Acquisition costs	(75)
Total consideration	2,105

Viz Holdings Limited, Fortean Times Holdings Limited and Cyclist Holdings Limited contributed £220,256 to group revenue and a loss of £20,754 to group EBITDA during the year.

Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its estimated fifteen year useful life.

19. Stocks

	Group 2021	Group 2020
Finished goods and goods for resale	9	42
	9	42

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Debtors

	Group 2021	Group 2020	Company 2021	Company 2020
Trade debtors	6,423	4,744	-	-
Amounts owed by group undertakings	-	-	8,571	8,568
Other debtors	214	402	141	141
Prepayments and accrued income	3,332	3,092	-	-
Deferred taxation - note 26	421	479	-	-
	<u>10,390</u>	<u>8,717</u>	<u>8,712</u>	<u>8,709</u>

21. Cash and cash equivalents

	Group 2021	Group 2020
Cash at bank and in hand	14,476	11,755
	<u>14,476</u>	<u>11,755</u>

22. Creditors: Amounts falling due within one year

	Group 2021	Group 2020	Company 2021	Company 2020
Bank loans - note 24	2,692	2,892	-	-
Trade creditors	3,030	1,977	-	-
Corporation tax	1,372	892	-	-
Other taxation and social security	806	1,029	-	-
Other creditors	1,650	1,767	152	135
Accruals and deferred income	11,610	10,569	-	-
	<u>21,160</u>	<u>19,126</u>	<u>152</u>	<u>135</u>

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Creditors: Amounts falling due after more than one year

	Group 2021	Group 2020
Bank loans - note 24	2,000	2,600
Deferred income	221	250
	<u>2,221</u>	<u>2,850</u>

24. Loans

Loans repayable, included within creditors, are analysed as follows:

	Group 2021	Group 2020
Amounts falling due within one year		
Bank loans	2,692	2,892
	<u>2,692</u>	<u>2,892</u>
Amounts falling due after one year		
Bank loans	2,000	2,600
	<u>2,000</u>	<u>2,600</u>
	<u>4,692</u>	<u>5,492</u>

The banks borrowings are secured by a debenture and there is a cross guarantee in respect of the other group members' obligations to the bank.

During 2021 the group renegotiated its revolving credit facility. The limit of the revolving facility was reduced from £8,000,000 to £5,000,000 and the term extended by 12 months, to March 2023. An amount of £2,092,000 remains drawn down at the end of the financial year. On the term loan, an amount of £2,600,000 is outstanding at the end of the financial year. The group pays a market rate of interest on this borrowing.

METROPOLIS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. Financial instruments

	Group 2021	Group 2020
Financial assets		
Trade debtors	6,423	4,744
	<u>6,423</u>	<u>4,744</u>
Financial liabilities		
Loans - note 24	4,692	5,492
Trade creditors	3,030	1,977
	<u>7,722</u>	<u>7,469</u>

26. Deferred taxation

Group

	2021	2020
At beginning of year	477	(349)
Charged to profit or loss	(56)	630
Opening balance restatement	-	198
	<u>421</u>	<u>479</u>
At end of year	421	479

The deferred tax asset is made up as follows:

	Group 2021	Group 2020
Fixed asset timing differences	420	474
Short term timing differences	1	5
	<u>421</u>	<u>479</u>

METROPOLIS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

27. Provisions

Group

	Contingent consideration
At 1 January 2021	261
Impairment	(82)
Paid during the year	(48)
At 31 December 2021	<u>131</u>

Contingent consideration is in respect of past acquisitions and is based upon those businesses achieving future targeted levels of either revenue or profit. The provision provided has been based upon forecasts for those businesses and the likely future payments that will be made.

28. Share capital

	2021	2020
Allotted, called up and fully paid		
15,965,158 (2020 - 15,965,158) "A" Ordinary shares of £1.0000 each	15,965.2	15,965.2
33,728,419 (2020 - 33,728,419) "B" Ordinary shares of £1.0000 each	33,728.4	33,728.4
810,889 (2020 - 810,889) "I" Ordinary shares of £0.0001 each	0.1	0.1
	<u>49,693.7</u>	<u>49,693.7</u>

The rights, preferences and restrictions attaching to each class including restrictions on the distribution of dividends and the repayment of capital

29. Pension commitments

The group makes contributions into a group pension auto enrolment compliant scheme. The assets of this scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to these funds. Refer to note 8.

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30. Commitments under operating leases

At 31 December 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021	Group 2020
Land and Buildings		
Not later than 1 year	900	1,072
Later than 1 year and not later than 5 years	1,202	4,260
	<u>2,102</u>	<u>5,332</u>
	Group 2021	Group 2020
Plant and Machinery		
Not later than 1 year	13	8
Later than 1 year and not later than 5 years	3	14
	<u>16</u>	<u>22</u>

31. Related party balances and transactions

The group has taken advantage of the exemption available in paragraph 33.1A of FRS102 whereby it has not disclosed transactions between any wholly owned subsidiary undertakings in the group, excluding Crambeth Allen Publishing Limited.

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured and interest free.

Intercompany transactions and balances with Crambeth Allen Publishing Limited are as follows:

	2021 £000	2020 £000
Services charged	59	40
Balance payable	1,681	1,548

32. Controlling party

Mr J G Mills is the ultimate controlling party and majority shareholder of the company.