

PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

COMPANY REGISTRATION NUMBER 07861087

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PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED

Directors, Professional Advisers and Registered Office

Directors: John Whittaker
Steven Underwood, A.C.A.
Stephen Wild
Mark Whitworth
Matthew Colton, A.C.A.

Registered Office
Head Office: Venus Building
1 Old Park Lane
Trafford City
Manchester
M41 7HA
United Kingdom

Registered Number: 07861087

Auditor: Deloitte LLP
Statutory Auditor
Manchester
United Kingdom

Bankers: Lloyds Bank PLC

Strategic Report *for the year ended 31 March 2023*

Principal Activity

The principal activity of the group is that of the provision of strategic asset management services and facilities management to Peel Media Limited, which owns the MediaCityUK development, and across the MediaCityUK site.

Review of Business, Developments and Prospects

Revenues in the year relate to car park income, service charge income and management services income in respect of the MediaCityUK site.

The MediaCityUK development comprises a world class HD Studio facility, office space, multi-storey car park, retail and leisure facilities, and piazza, all on the waterfront of Salford Quays in Salford, Manchester.

Future Developments

The directors are not aware, at the date of this report, of any likely major changes in the group's activities in the coming year.

Results

The results for the year are set out on page 12. The financial position of the group and holding company at 31 March 2023 is set out in the balance sheets on page 13.

Both revenue and costs have seen increases in the current year owing to increased facilities management costs and thus associated recharge revenue being incurred in the period, including a true-up of costs following the most recent service charge audit being completed.

Group operating loss for the year was £1,745,000 (2022: £1,258,000). Losses increased in the year due to increased administrative expenses, notably in relation to a rates increase in respect of the multi-storey car park.

Group net liabilities were £27,788,000 at 31 March 2023 (2022: £25,342,000).

Principal risks and uncertainties

The principal aim of the company is to maximise long-term returns whilst minimising risks. Responsibility for management of each key risk is clearly identified and delegated by the directors to specific senior staff within the company. The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The directors consider the following to be the major items of risk affecting the company:

- economic cycles, including the impact on credit worthiness of our key customers. This risk is mitigated by a large and diversified customer base;
- the demand for commercial and residential property and its consequential impact on our key customers, in particular the demand for car park spaces. This risk is mitigated by seeking opportunities to expand our customer base.
- as part of normal trading operations, the company invests cash on short-term deposit with certain major UK banks. The company is therefore exposed to the risk of a decline in the credit worthiness of one or more of those banks. The company mitigates its exposure to this risk by monitoring closely the economic environment.

Strategic Report *continued*

Future risks and uncertainties

The main risks affecting the group are the war in Ukraine and uncertainty arising from increased levels of inflation and interest rate risk. They result in potential negative impact on the macroeconomic environment. This is as a result of uncertainty and broader consumer confidence. More specifically the group is affected by changes in sentiment in the investment and occupier markets in which it operates, which in turn puts pressure on property valuations and reduces the group's asset management fees. The group continues to monitor the situations closely.

Approved by the Board of Directors and signed on behalf of the Board



Matthew Colton A.C.A.

Director

15 March 2024

Report of the Directors *for the year ended 31 March 2023*

The directors submit their Annual Report together with the audited financial statements of the group for the year ended 31 March 2023.

Matters included in the Strategic Report

In accordance with s414(C) (11) of the Companies Act, included in the strategic report is information relating to the future development of the business and principal risks and uncertainties which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in a report of directors.

Going Concern

The directors have received confirmation that Peel L&P Media Group Limited, ("Peel L&P Media Group"), the group's holding company, will continue to provide the necessary level of support to enable it to continue to operate for 12 months from signing the financial statements. The directors have concluded, after making enquiries, they have a reasonable expectation that the company and the group has adequate resources to continue in operational existence for 12 months from signing the financial statements and therefore they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in note 1 of the financial statements.

Dividends

The directors cannot recommend the payment of dividends (2022: nil).

Future Developments

Details of future developments can be found in the Strategic Report on page 3.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group can rely on appropriate funding from the wider group it belongs to.

Credit risk

The group's principal financial assets are group loans and related party balances which are risk-free in the context of this group.

Directors' indemnities

The group has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Report of the Directors *for the year ended 31 March 2023 continued*

Directors

Except where stated, the directors who held office during the financial year and up to the date of signing the financial statements are:

John Whittaker	
Steven Underwood, A.C.A.	
John Schofield, A.C.A.	(Resigned 30 September 2023)
Stephen Wild	
Mark Whitworth	(Appointed 03 May 2023)
Matthew Colton, A.C.A.	(Appointed 02 August 2023)

Auditor

The auditor, Deloitte LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Directors' Responsibilities Statement

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the Directors *for the year ended 31 March 2023 continued*

Statement of disclosure to auditor

Each of the persons who is 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 of which the group's auditor is unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

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

Approved by the Board of Directors and signed on behalf of the Board



Matthew Colton A.C.A.

Director

15 March 2024

Independent Auditor's Report to the members of Peel Media Management (Holdings) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Peel Media Management (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group profit and loss account;
- the group and parent company balance sheets;
- the group and parent company statement of changes in equity;
- the group cash flow statement; and
- the related notes 1 to 18.

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).

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 auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditor's Report to the members of Peel Media Management (Holdings) Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Auditor's 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the group's industry and its control environment and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included GDPR, employment law and health and safety regulations.

Independent Auditor's Report to the members of Peel Media Management (Holdings) Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud *continued*

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, IT and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- **Accuracy of service charge accrual:** In addressing the risk we have updated our understanding of the nature of the accrual and the associated processes and key controls; and performed focused detailed testing on the service charge accrual including testing a sample of items to post year end cost or invoice to validate the accruals.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions 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 strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the report of the directors.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

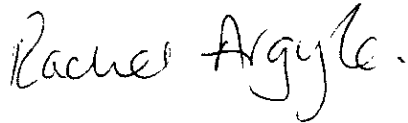
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors'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

We have nothing to report in respect of these matters.

Independent Auditor's Report to the members of Peel Media Management (Holdings) Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, 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 auditor's 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 group and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rachel Argyle (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom

15 March 2024

PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED

Group Profit and Loss Account *for the year ended 31 March 2023*

	Note	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover	3	17,713	14,799
Direct costs		(15,175)	(12,213)
Gross profit	4	2,538	2,586
Administration expenses	4	(4,284)	(3,844)
Group operating loss		(1,745)	(1,258)
Net interest payable and similar expenses	5	(1,236)	(628)
Loss before taxation		(2,981)	(1,886)
Taxation	6	535	446
Loss for the financial year		(2,446)	(1,440)

The accompanying notes form an integral part of these financial statements.

All the above results derive from continuing activities.

There were no other gains or losses than as presented in the above profit or loss account, and accordingly, no separate statement of comprehensive income is presented.

PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED

Group and Parent Company Balance Sheets *as at 31 March 2023*

Company Registration No. 07861087

	Note	Group 2023 £'000	Group 2022 £'000	Holding Company 2023 £'000	Holding Company 2022 £'000
Fixed assets					
Investments	8	-	-	147	147
Other fixed assets	9	209	243	-	-
		209	243	147	147
Current assets					
Debtors	10	6,262	15,739	129	133
Cash at bank and in hand		3,790	674	11	13
		10,052	16,413	140	146
Creditors: amounts falling due within one year	11	(38,049)	(41,998)	(27,317)	(25,669)
Net current liabilities		(27,997)	(25,585)	(27,177)	(25,523)
Net liabilities		(27,788)	(25,342)	(27,030)	(25,376)
Capital and reserves					
Called-up share capital	12	2,500	2,500	2,500	2,500
Merger reserve		28,561	28,561	-	-
Profit and loss account		(58,849)	(56,403)	(29,530)	(27,876)
Shareholder's deficit		(27,788)	(25,342)	(27,030)	(25,376)

The holding company loss for the year is £1,654,000 (2022: £13,665,000).

The balance sheets for Peel Media Management (Holdings) Limited were approved by the directors and authorised for March 2024.



Matthew Colton A.C.A.
Director

The accompanying notes form an integral part of these financial statements.

Group Statement of Changes in Equity *for the year ended 31 March 2023*

	Called-up share capital £'000	Merger reserve £'000	Profit and loss account £'000	Total £'000
At 1 April 2021	2,500	28,561	(54,963)	(23,902)
Loss for the financial year	-	-	(1,440)	(1,440)
Total comprehensive expense	-	-	(1,440)	(1,440)
At 31 March 2022	2,500	28,561	(56,403)	(25,342)
Loss for the financial year	-	-	(2,446)	(2,446)
Total comprehensive expense	-	-	(2,446)	(2,446)
At 31 March 2023	2,500	28,561	(58,849)	(27,788)

Parent Company Statement of Changes in Equity *for the year ended 31 March 2023*

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 1 April 2021	2,500	(14,211)	(11,711)
Loss for the financial year	-	(13,665)	(13,665)
Total comprehensive expense	-	(13,665)	(13,665)
At 31 March 2022	2,500	(27,876)	(25,376)
Loss for the financial year	-	(1,654)	(1,654)
Total comprehensive expense	-	(1,654)	(1,654)
At 31 March 2023	2,500	(29,530)	(27,030)

PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED

Group Cash Flow Statement *for the year ended 31 March 2023*

	Note	2023 £'000	2022 £'000
Net cash inflow / (outflow) from operating activities	13	1,991	(2,998)
Cash flows from investing activities			
Payments to acquire other fixed assets		(6)	(10)
Net cash used in investing activities		(6)	(10)
Cash flows from financing activities			
Repayment of external loan facilities		(4)	-
Proceeds from intercompany loans		1,200	3,100
Interest paid		(65)	(102)
Net cash flow from financing activities		1,131	2,998
Net increase / (decrease) in cash and cash equivalents		3,116	(10)
Cash and cash equivalents at the beginning of the year		674	684
Cash and cash equivalents at the end of the year		3,790	674
Reconciliation to cash at bank and in hand:			
Cash at bank		3,790	674
Cash and cash equivalents		3,790	674

Notes to the Financial Statements

for the year ended 31 March 2023

1. Accounting Policies

The principal accounting policies are summarised below. The policies have been applied consistently throughout the year and prior year. The principal activities and operations of the group and its subsidiaries are set out in the strategic report on page 3.

Company information

Peel Media Management (Holdings) Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales with company registration number 07861087. The registered office is Venus Building, 1 Old Park Lane, TraffordCity, Manchester M41 7HA.

Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and investments, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council other than in respect of group reconstruction accounting in the circumstances referred to below.

The functional currency of the group and company is considered to be pound sterling, because that is the currency of the primary economic environment in which the group and company operates. The consolidated financial statements are also presented in pounds sterling. The financial statements are rounded to the nearest £'000s.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The company is consolidated in the financial statements of its parent, Peel L&P Media Group Limited. Exemptions have been taken in these separate company financial statements in relation to disclosures surrounding financial instruments and remuneration of key management personnel.

Going Concern

The directors have received confirmation that Peel L&P Media Group Limited, the group's holding company, will continue to provide the necessary level of support to enable it to continue to operate for 12 months from signing the financial statements. In considering the ability of Peel L&P Group to provide any necessary support in the context of the uncertainties it faces as a result of the current economic climate, the directors have obtained an understanding of Peel L&P Media Group's forecasts, the continuing availability of its facilities and its strategic and contingent plans.

Taking all these factors into account, the directors have a reasonable expectation that the holding company and group have adequate resources to continue in operational existence for the 12 months from signing the financial statements and therefore continue to adopt the going concern basis in preparing the annual report and financial statements.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

1. Accounting Policies *continued*

Group Financial Statements

The group financial statements consolidate the financial statements of the group and its subsidiary undertakings made up to 31 March each year. Intra-group turnover and profits are eliminated on consolidation.

The financial statements have been prepared using merger accounting principles (applicable for group reconstructions) set out in FRS 102 Section 19 in order to meet the overriding requirement under section 404 of the Companies Act 2006 for financial statements to present a true and fair view following the acquisition by the group in May 2021 of Peel Media Services (Holdings) Limited, Peel Media Wharfside (Holdings) Limited and Peel Media Digital (Holdings) Limited, in February 2017 of Peel Media Living No 1 Limited and Peel Media Living No 2 Limited, and in December 2016 of Peel Media Investments Limited. Under merger accounting the results of the subsidiaries are combined from the beginning of the comparative financial year before the merger occurred. Profit and loss account and balance sheet comparatives are restated on a combined basis and adjustments are made to achieve consistency of accounting policies.

Where a relevant transaction does not meet one of the conditions for merger accounting under the Companies Act 2006, namely that the fair value of any non-equity consideration must not exceed 10% of the nominal value of equity shares issued the directors consider that the alternative approach of acquisition accounting would not give a true and fair view of the group's results and financial position. However, the directors consider that the alternative approach of acquisition accounting, with the restatement of separable assets and liabilities to fair values, and inclusion of post-reorganisation results only, would not give a true and fair view of the group's results and financial position. The substance of the transaction was not the acquisition of a business but a group reconstruction. The directors consider that it is not practicable to quantify the effect of this departure from the Companies Act 2006 requirements.

The directors have adopted the basis of preparation set out above because they consider that it is necessary in order to give a true and fair view of the results of the group for the year ended 31 March 2023.

All other subsidiaries are consolidated under acquisition accounting principles. Results of subsidiary undertakings acquired or disposed of during the year are included from the date of acquisition or to the date of disposal to the extent of group ownership.

As permitted by Section 408 of the Companies Act 2006, a separate profit and loss account for the holding company is not presented.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

1. Accounting Policies *continued*

Fixed Asset Investments

Fixed asset investments in subsidiary undertakings are stated at cost less provision for impairment. Cost represents the aggregate cash consideration, costs incurred and either the fair or the nominal value of shares issued.

Other Fixed Assets

Other fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all other fixed assets, with the exception of assets under development, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

<i>Computers & equipment</i>	3 years
<i>Fixtures & fittings</i>	3 years
<i>Plant & Equipment</i>	20 years
<i>Operational asset</i>	5 years

Taxation

Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Deferred tax is recognised in respect of non-depreciable assets measured using the revaluation model and investment properties measured at fair value, calculated using the tax rates and allowances that would apply to the disposal of such assets.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if; (a) the group has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Interest payable

Interest directly attributable to both investment and trading properties in the course of development and other fixed assets is included in the cost thereof. Interest is calculated on a simple interest basis without allowing for any tax relief thereon.

All other interest payable is recognised in profit or loss in the period in which it is incurred.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

1. Accounting Policies *continued*

Turnover

Charges for management services are accounted for on an accruals basis and recognised as the services are provided. Turnover is stated net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for -is normally the transaction price excluding the costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current year or prior years.
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- (d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit and loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which maybe nil) less impairment.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

1. Accounting Policies *continued*

Financial assets and financial liabilities *continued*

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying amount value had no impairment been recognised.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision effects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the group's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

Key sources of estimation uncertainty

The directors do not consider there to be any key sources of estimation uncertainty.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

3. Analysis of turnover

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover		
Rental income	214	287
Car park rental income	2,416	2,418
Service charge income	11,944	9,337
Management fees	2,306	1,857
Other income	833	900
	17,713	14,799

All of the group's turnover arose in the United Kingdom from the group's principal activities.

4. Operating loss

Operating loss is stated after charging:

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Depreciation	40	47
Operating lease charges	3,218	3,097

Fees payable to the group's auditor for the audit of the group's annual financial statements amounted to £51,000 (2022: £46,100) and were borne by another group company. Fees payable in respect of other services in the year amounted to £83,300 (2022: £77,500).

5. Net Interest Payable and Similar Expenses

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Interest payable and similar expenses:		
On amounts owed to group undertakings	1,171	569
Bank transaction and utilisation	65	59
Total interest payable and similar expenses	1,236	628
Net interest payable and similar expenses	1,236	628

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

6. Taxation

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Current tax:		
Group relief	(609)	(414)
Adjustment in respect of prior year:		
Group relief	(1)	-
Total current tax credit	(610)	(414)
Deferred tax		
Change in tax rates	-	(117)
Origination and reversal of timing differences (note 15)	75	85
Total tax credit on loss for the year	(535)	(446)
Reconciliation of current tax credit:		
Loss before tax	(2,981)	(1,886)
Loss before tax at 19% (2022: 19%)	(566)	(358)
Effects of:		
Expenses not deductible for tax purposes	13	9
Deferred tax effect of changes in statutory tax rates	-	(117)
Difference in tax rate on current year deferred tax	18	20
Total tax credit	(535)	(446)

The March 2021 Budget announced that the UK corporation tax rate will increase to 25% with effect from 1 April 2023. As this change was substantively enacted as at 31 March 2022, deferred tax balances continue to be measured at a rate of 25%.

7. Particulars of Staff and Directors' Remuneration

There were no employees during the current and prior year apart from the directors. The directors of the group were remunerated for their services to the wider Peel group as a whole, it is not practicable to allocate their remuneration between their services to group companies. Employees are held in another group company and associated costs are recharged.

PEEL MEDIA MANAGEMENT (HOLDINGS) LIMITED

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

8. Investments

	Holding Company 2023 £'000
Subsidiary undertakings:	
Cost	
At 1 April 2022 and 31 March 2023	18,366
Impairment	
At 1 April 2022 and 31 March 2023	(18,219)
Net book value	
At 1 April 2022 and 31 March 2023	147

Details of investments of the parent company in its subsidiary and associate undertakings are given below.

Subsidiaries

The subsidiary and associate undertakings consolidated as at 31 March 2023, all of which are incorporated and operating in the United Kingdom were as follows:

Company	Principal Activities	Holding
Peel Media Management Limited	Management service company	100%
Peel Media Facilities Limited	Management service and facilities management company	100%
No. 1 MediaCity UK Management Company Limited	Dormant	100%
The Heart (MediaCity) Management Company Limited	Dormant	100%

Audit exemption

The subsidiary undertakings also consolidated at 31 March 2023, all of which were indirectly and wholly owned, unless otherwise stated, and claimed exemption from audit under section 479A Companies Act 2006, were as follows:

Company	Principal Activities	Holding
Peel Media Investments Limited	Investment company for tech start up companies	100%
Peel Media Living No. 1 Limited	Rental and sale of residential apartments	100%
Peel Media Living No. 2 Limited	Rental and sale of residential apartments	100%
Peel Media Services (Holdings) Limited	Holding company	100%
Peel Media Services (Studios) Limited	No longer trading	100%
The Pie Factory Limited	No longer trading	100%
Peel Media Wharfside (Holdings) Limited	Holding company	100%
Peel Media Wharfside Limited	Property investment and development	100%
Peel Media Digital (Holdings) Limited	Holding company	100%
Peel Media Digital Limited	Holding company	100%

Shares in subsidiary undertakings at 31 March 2023 represented ordinary shares. The registered address of the subsidiary undertakings is Venus Building, 1 Old Park Lane, TraffordCity, Manchester, M41 7HA.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

9. Other Fixed Assets

	Operational Asset £'000	Computers & Equipment £'000	Plant & Equipment £'000	Fixtures & Fittings £'000	Group £'000
Cost or valuation:					
At 1 April 2022	84	25	3,890	1,109	5,108
Additions	-	6	-	-	6
At 31 March 2023	84	31	3,890	1,109	5,114
Depreciation:					
At 1 April 2022	84	14	3,666	1,101	4,865
Charge for the year	-	7	26	7	40
31 March 2023	84	21	3,692	1,108	4,905
Net Book Value:					
At 31 March 2023	-	10	198	1	209
At 31 March 2022	-	11	224	8	243

10. Debtors

	Group 2023 £'000	Group 2022 £'000	Holding Company 2023 £'000	Holding Company 2022 £'000
Trade debtors	883	515	-	-
Amounts due from related parties	47	3,513	-	-
Amounts due from fellow group undertakings	100	443	129	133
Deferred taxation asset (note 15)	326	401	-	-
Prepayments and accrued income	2,219	1,513	-	-
Other debtors	2,687	9,354	-	-
	6,262	15,739	129	133

Amounts due from fellow group undertakings are repayable on demand. Amounts due from fellow group undertakings and related parties do not carry interest (2022: same).

11. Creditors: amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Holding Company 2023 £'000	Holding Company 2022 £'000
Bank overdraft	-	4	-	-
Trade creditors	2,004	1,603	-	-
Amounts owed to related parties	2,257	522	-	-
Amounts owed to fellow group undertakings	27,286	25,515	27,213	25,669
Other creditors	303	674	104	-
Accruals and deferred income	6,199	13,680	-	-
	38,049	41,998	27,317	25,669

Amounts owed to fellow group undertakings are repayable on demand and carry interest at a rate of SONIA plus 2.25% per annum (2022: 2.25%). Amounts owed to related parties are repayable on demand and do not carry interest (2022: same).

Notes to the Financial Statements *continued*
for the year ended 31 March 2023

12. Called-up Share Capital

	Group and Holding Company	
	2023	2022
	£'000	£'000
Allotted and fully paid Equity Share Capital		
2,500,001 (2022: 2,500,001) ordinary shares of £1 each	2,500	2,500

The company has one class of ordinary shares which carry no right to fixed income.

The merger reserve represents the difference between cost of investment and net assets of subsidiaries acquired and accounted for under merger accounting principles.

13. Group Debt

Analysis of Movement in Group Net Debt

	1 April 2022 £'000	Non Cash £'000	Cash Flow £'000	31 March 2023 £'000
Cash at bank	674	-	3,116	3,790
Amounts owed to fellow group undertakings	(25,515)	(571)	(1,200)	(27,286)
Net debt	(24,841)	(571)	1,916	(23,496)

Non cash adjustments represents interest and tax on amounts owed to fellow group undertakings

14. Notes to the Group Cash Flow Statement

	2023 £'000	2022 £'000
Reconciliation of operating loss to cash generated by operating activities		
Group operating loss	(1,745)	(1,258)
<i>Non-cash adjustments:</i>		
Depreciation	40	47
Operating cash outflow before movement in working capital	(1,705)	(1,211)
Movement in debtors	9,402	(1,900)
Movement in creditors	(5,902)	113
Cash generated from operating activities	1,795	(2,998)
Tax received	196	-
Net cash inflow / (outflow) from operating activities	1,991	(2,998)

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

15. Deferred tax asset

	2023 £'000	2022 £'000
Deferred tax asset		
At 1 April 2022	401	369
Rate change	-	117
Movement in the year (note 6)	(75)	(85)
At 31 March 2023	326	401
Reconciliation of deferred tax movement		
Movement on deferred tax as above	(75)	32
Credit to profit and loss account (note 6)	(75)	32

Deferred tax is recognised at a rate of 25% (2022: 25%), the amount recognised is:

Fixed asset timing differences	326	401
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The March 2021 Budget announced that the UK corporation tax rate will increase to 25% with effect from 1 April 2023. As this change was substantively enacted as at 31 March 2022, deferred tax balances are measured at a rate of 25%.

16. Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £'000	2022 £'000
Receipts due within:		
1 year	3,581	3,218
1 – 5 years	14,505	14,379
Over 5 years	40,810	44,517
	58,896	62,114

17. Ultimate Holding Company

The ultimate holding company in the year to 31 March 2023 was Tokenhouse Limited, a company incorporated in the Isle of Man. Tokenhouse Limited is controlled by the 1997 Billown Settlement.

The largest group of companies, of which the group is a member, which produces consolidated financial statements is Peel Holdings Group Limited, a company incorporated in the Isle of Man. Its registered office is Billown Mansion, Ballasalla, Malew, IM9 3DL, Isle of Man.

The smallest group of companies, of which the group is a member, which produces consolidated financial statements is Peel Media Management (Holdings), a company incorporated in England & Wales. Its registered office is Venus Building, 1 Old Park Lane, Trafford City, Manchester, United Kingdom, M41 7HA.

The immediate parent company is Peel L&P Media Group Limited, a company incorporated in the Isle of Man. Its registered office is Billown Mansion, Ballasalla, Malew, IM9 3DL, Isle of Man.

Notes to the Financial Statements *continued*

for the year ended 31 March 2023

18. Related Party Transactions

During the year the group incurred rent payable to Peel Media Limited £2,857,325 (2022: £2,295,042). Peel Media Limited is part of an investment held by the wider group. The group also incurred rent payable to Peel Media Studios Limited £nil (2022: £360,625). Peel Media Studios Limited is a fellow group undertaking.

During the year the group received service charge income from Peel Media Limited £9,103,956 (2022: £9,139,908) and from The Bund Limited £10,111 (2022 £nil). The Bund Limited is part of an investment held by the wider group.

During the year the group incurred service charge costs from Peel Media Limited of £1,054,098 (2022: £458,003), and from Leep Water Networks Limited of £nil (2022: £304,897). Leep Water Networks Limited is part of an investment held by the wider group.

During the year the group received car park income from Peel Media Limited of £103,894 (2022: £47,223), and from Leep Holdings Utilities Ltd of £nil (2022: £8,846). Leep Holdings Utilities Ltd is part of an investment held by the wider group.

During the year the group incurred insurance costs from Peel Media Limited of £121,066 (2022: £338,872).

During the year the group incurred recharged costs from Leep Water Networks Limited of £nil (2022: £3,045), and from Peel Media Limited of £10,085 (2022 £nil).

During the year the group received facilities management income from Leep Holdings Utilities Limited of £nil (2022: £1,827), and from Peel Media Limited of £159,441 (2022 £nil).

During the year the group received management fee income from Peel Media Limited £2,705,726 (2022: £2,272,050), £5,250 (2022: £5,250) from The Bund Limited and £12,750 (2022: £12,764) from Peel Media (Orange) Limited. Peel Media (Orange) is part of an investment held by the wider group.

During the year the group received marketing recharge income from Peel Media Limited of £110,000 (2022: £241,731).

During the year the group received event / sponsorship income from Peel Media Limited of £107,776 (2022: £nil).

During the year the group received recharge income from Peel Media Limited of £29,690 (2022: £nil).

The outstanding balances receivable from/payable to related parties at the year end were:

Company	2023	2023	2022	2022
	Debtor	Creditor	Debtor	Creditor
	£	£	£	£
Peel Media Ltd	37,835	2,250,661	3,497,996	471,766
The Bund Limited	1,575	6,019	9,378	1,313
Utilities Services (MCUK) Ltd	-	-	839	-
Leep Water Networks Ltd	-	-	-	-
Leep Holdings Utilities Ltd	-	-	566	28,216
Peel Media (Orange) Ltd	7,650	-	3,825	20,209
Northstone Development Ltd	22	-	-	-
	47,081	2,256,680	3,512,604	521,504