

Company Registration No. 06017993 (England and Wales)

PEEL MEDIA MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019



PEEL MEDIA MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	Neil Lees A.C.I.S. John Whittaker Steven Underwood A.C.A David Glover John Schofield A.C.A
Company Secretary	Neil Lees A.C.I.S.
Company number	06017993
Registered office	Peel Dome Intu Trafford Centre Traffordcity Manchester United Kingdom M17 8PL
Auditor	Deloitte LLP Statutory Auditor Manchester United Kingdom
Bankers	Lloyds Bank plc

PEEL MEDIA MANAGEMENT LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 6
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 18

PEEL MEDIA MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and audited financial statements for the year ended 31 March 2019.

The company has taken advantage of the exemption for small companies under Section 419(2) of the Companies Act 2006 in preparing the directors' report and from preparing a strategic report for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of the provision of management services to Peel Media Limited, which owns the MediaCityUK development.

Going concern

At 31 March 2019 the company is in a net current liability position. However, after making enquiries, along with the confirmation from Peel Media Group Limited that they will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future, the directors have concluded they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future 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.

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the company's policies approved by the directors. The company does not use derivative financial instruments for speculative purposes.

The main risk associated with the future departure of the UK from the EU is the potential negative impact on the macroeconomic environment. This is as a result of the uncertainty surrounding transitional and post-Brexit arrangement and broader consumer confidence. More specifically the company is affected by changes in sentiment in the investment and occupier market in which it operates. The company continues to monitor the situation closely.

Cash flow risk

The company has no exposure to either foreign currency risk or interest rate risk.

Credit risk

The company's principal financial assets are amounts owed to related parties which are risk-free in the context of this company.

Liquidity risk

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

Results and dividends

The company's results for the financial year are set out in the profit and loss account on page 7. The financial position of the company at 31 March 2019 is set out on the balance sheet on page 8.

The directors do not recommend the payment of a dividend (2018: £nil).

Future developments

The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the coming year. The future departure of the UK from the EU gives rise to uncertainty and this will be closely monitored.

PEEL MEDIA MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Directors

Except where stated, the directors who held office during the financial year and thereafter are:

Neil Lees A.C.I.S.

John Whittaker

Steven Underwood A.C.A

David Glover

John Schofield A.C.A

Auditor

The auditor, Deloitte LLP, is 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 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
- state whether the financial statements have been prepared in accordance with UK accounting standards, subject to any material departures disclosed and explained in the financial statements.

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.

Statement of disclosure to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and

(b) 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 company'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.

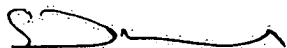
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

PEEL MEDIA MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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



Steven Underwood A.C.A

Director

18 December 2019

PEEL MEDIA MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF PEEL MEDIA MANAGEMENT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Peel Media Management Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit 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 Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis of 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 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

We are required by ISAs (UK) to report in respect of the following matters 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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

PEEL MEDIA MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PEEL MEDIA MANAGEMENT LIMITED

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 auditor's 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.

We have nothing to report in respect of these matters.

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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PEEL MEDIA MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PEEL MEDIA MANAGEMENT LIMITED

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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

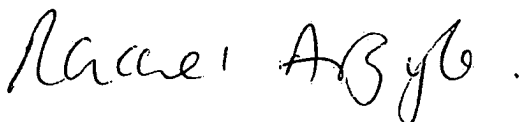
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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 company 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
18 December 2019

PEEL MEDIA MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £'000	2018 £'000
Turnover	3	3,785	2,301
Cost of sales		(1,280)	(1,481)
Gross profit		2,505	820
Administrative expenses		(254)	(594)
Operating profit	4	2,251	226
Interest receivable and similar income	6	2	-
Interest payable and similar expenses	7	(149)	(142)
Profit before taxation		2,104	84
Tax on profit	8	(455)	2
Profit for the financial year		1,649	86

All of the above results derive from continuing operations.

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

PEEL MEDIA MANAGEMENT LIMITED

BALANCE SHEET

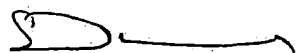
AS AT 31 MARCH 2019

	Notes	2019 £'000	2018 £'000
Fixed assets			
Tangible assets	9	21	24
Current assets			
Debtors	10	882	984
Cash at bank and in hand		1,323	163
		<u>2,205</u>	<u>1,147</u>
Creditors: amounts falling due within one year	11	<u>(5,580)</u>	<u>(6,174)</u>
Net current liabilities		(3,375)	(5,027)
Total assets less current liabilities		<u>(3,354)</u>	<u>(5,003)</u>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		<u>(3,354)</u>	<u>(5,003)</u>
Shareholder's deficit		<u>(3,354)</u>	<u>(5,003)</u>

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 18 December 2019 and are signed on its behalf by:



Steven Underwood A.C.A
Director

Company Registration No. 06017993

PEEL MEDIA MANAGEMENT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance at 1 April 2017	-	(5,089)	(5,089)
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	86	86
Balance at 31 March 2018	-	(5,003)	(5,003)
Year ended 31 March 2019:			
Profit and total comprehensive income for the year	-	1,649	1,649
Balance at 31 March 2019	-	(3,354)	(3,354)

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Peel Media Management 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 06017993. The registered office is Peel Dome, Intu Trafford Centre, Traffordcity, Manchester, United Kingdom, M17 8PL.

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pounds sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.

The company has applied relevant disclosure exemptions for small entities taken under Section 1A of FRS 102, and is therefore not required to produce a cash flow statement and disclose remuneration of key management personnel on the grounds that it is a small company. The company is consolidated in the financial statements of its divisional holding company, Peel Holdings Land and Property (UK) Limited, which may be obtained at Peel Dome, Intu Trafford Centre, Traffordcity, M17 8PL.

1.2 Going concern

Although the financial statements show that the company has net current liabilities as at 31 March 2019, the directors have adopted the going concern basis having taken into account the availability of continuing support for the foreseeable future from fellow group undertakings.

The directors have received confirmation that Peel Media Group Limited ("Peel"), the divisional holding company, will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future. In considering the ability of Peel 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'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 company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 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.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures, fittings & equipment	3 years
Computer equipment	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 Financial instruments

Financial assets and financial liabilities are recognised when the company 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 company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally the transaction price excluding the costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance 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 company 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 period or prior periods.
- (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.

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 company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, 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.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

1.8 Taxation

Current tax is provided at amounts expected to be paid (or recovered) 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 company'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 relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

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 company 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 company 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.

1.9 Operating leases

Rentals payable under operating leases, including any lease incentives received, are charged to the profit and loss account 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 lease asset are consumed.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company'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 associated 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 period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied, apart from those involving estimates which are dealt with separately below.

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors do not consider there to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

3 Turnover

	2019 £'000	2018 £'000
Management fees	3,785	2,301

4 Operating profit

	2019 £'000	2018 £'000
Profit before interest and taxation for the year is stated after charging/ (crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	8	6
Tax compliance services payable to company's auditor	4	2
Depreciation of owned tangible fixed assets	10	6

5 Employees

There were no employees during the year apart from the directors (2018: none).

The directors of the company are remunerated by Peel Group Management Limited for their services to the wider Peel Holdings Group as a whole, it is not practicable to allocate their remuneration between their services to group companies.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6	Interest receivable and similar income	2019	2018
		£'000	£'000
	Interest income		
	Interest on bank deposits	2	-
		<u>2</u>	<u>-</u>
7	Interest payable and similar expenses	2019	2018
		£'000	£'000
	Interest payable to group undertakings	149	142
		<u>149</u>	<u>142</u>
8	Taxation	2019	2018
		£'000	£'000
	Current tax		
	UK corporation tax on profits for the current year	457	18
	Adjustments in respect of prior periods	-	(17)
	Total current tax	<u>457</u>	<u>1</u>
	Deferred tax		
	Origination and reversal of timing differences	(2)	(3)
	Total tax charge / (credit)	<u>455</u>	<u>(2)</u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2019	2018
	£'000	£'000
Profit before taxation	<u>2,104</u>	<u>84</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	400	16
Tax effect of expenses that are not deductible in determining taxable profit	10	2
Adjustments in respect of prior years	45	(17)
Unrecognised movement on deferred tax in relation to losses	-	(3)
Total tax charge / (credit)	<u>455</u>	<u>(2)</u>

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

(Continued)

The Finance Act 2016, which was substantively enacted on 6 September 2016, included provisions to reduce the rate of corporation tax to 17% from 1 April 2020. Accordingly, deferred tax balances have been revalued to the lower rate of 17% in these financial statements. To the extent that the deferred tax reverses before 1 April 2020 then the impact on the net deferred tax will be reduced.

9 Tangible assets

	Fixtures, fittings & equipment	Computer equipment	Total
	£'000	£'000	£'000
Tangible assets comprise			
Cost			
At 1 April 2018	43	12	55
Additions	7	-	7
	<u>50</u>	<u>12</u>	<u>62</u>
At 31 March 2019			
Depreciation and impairment			
At 1 April 2018	19	12	31
Depreciation charged in the year	10	-	10
	<u>29</u>	<u>12</u>	<u>41</u>
At 31 March 2019			
Carrying amount			
At 31 March 2019	21	-	21
	<u>24</u>	<u>-</u>	<u>24</u>
At 31 March 2018			

10 Debtors

	2019 £'000	2018 £'000
Amounts due from group undertakings	107	199
Amounts due from related parties	768	704
Other debtors	5	3
Prepayments and accrued income	2	78
	<u>882</u>	<u>984</u>

Amounts due from group undertakings and related parties are repayable on demand and carry no interest (2018: same) per annum on the outstanding balance.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	1	226
Amounts owed to group undertakings	4,584	5,157
Amounts due to related parties	438	393
Other creditors	344	142
Accruals and deferred income	213	256
	<u>5,580</u>	<u>6,174</u>

Amounts owed to parent and fellow subsidiary undertakings are repayable on demand and carry interest at 2.25% above base rate (2018: 2.25%) per annum on the outstanding balance.

Amounts owed to related parties do not carry interest and are repayable on demand.

12 Called up share capital

	2019 £'000	2018 £'000
Allotted, called up and fully paid		
- 2 ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

13 Related party transactions

During the year the company incurred rent payable to Peel Media Limited of £3,629 (2018: £116,250).

During the year the company received management fee income from Peel Media Limited of £1,663,800 (2018: £1,601,928), £6,750 (2018: £41,049) from The Bund Limited, £nil (2018: £16,875) from Peel Media Development Limited, £1,167,346 (2018: £471,894) from Peel Media Development (Residential 1) Limited and £947,481 (2018: £147,515) from Peel Media Canalside Limited.

During the year the company incurred insurance charges from Peel Media Limited of £36,505 (2018: £37,269).

At 31 March 2019, the company had a debtor of £508,811 (2018: £673,967) with Peel Media Limited, a debtor of £119,592 (2018: £16,985) with Peel Media Development (Residential 1) Limited, a debtor of £130,684 (2018: £11,463) with Peel Media Canalside Limited, a debtor of £2,025 (2018: £2,025) with The Bund Limited and a debtor of £6,690 (2018: £nil) with Dock10 Limited.

At 31 March 2019, the company had a creditor of £435,305 (2018: £393,290) with Peel Media Limited and a creditor of £1,688 (2018: £nil) with The Bund Limited.

PEEL MEDIA MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Operating lease commitments

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:

	2019 £'000	2018 £'000
Within one year	146	-

15 Controlling party

The ultimate holding company in the year ended 31 March 2019 was Tokenhouse Limited, a company incorporated in the Isle of Man. Tokenhouse Limited is controlled by the 1997 Billown settlement trust.

The largest group of companies, of which the company is a member, that produces consolidated financial statements is Peel Holdings Group Limited, a company incorporated in the Isle of Man.

The smallest group of companies, of which the company is a member, that produces consolidated financial statements, is Peel Media Management (Holdings) Limited, a company incorporated in the UK.

The immediate parent company is Peel Media Management (Holdings) Limited.