Reach Publishing Group Limited

Registration number: 3890730

Annual Report and Financial Statements

52 weeks ended 29 December 2019

Reach Publishing Group Limited
(Registration number: 3890730)

Contents

Reach Publishing Group Limited
(Registration number: 3890730)

Officers and Registered Office

Directors	Jim Mullen
	Simon Fuller
	Reach Directors Limited
Company secretary	Reach Secretaries Limited
Registered office	One Canada Square Canary Wharf London E14 5AP
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

Reach Publishing Group Limited
(Registration number: 3890730)

Strategic Report for the 52 weeks ended 29 December 2019

The directors present their Strategic Report for the 52 weeks ended 29 December 2019.

Fair review of the business

Business review
The company made neither operating profit nor loss in the period (2018: nil). Dividends of £57,000,000 were received (2018: £55,000,000) from subsidiary undertakings which were paid as a dividend to the company's immediate parent undertaking. Dividends of £498,400 were received (2018: nil) from associate undertakings. The directors carried out an annual impairment review of investments which has resulted in no impairment charge (2018: £150,000,000).

Financial position and future prospects
The financial position of the company is set out on page 10. The company has continued to perform in line with management's expectations since the year end. The Board is confident that the company will make further good progress through the rest of the year delivering its strategic objectives within the group.

The net assets of the company have increased by £498,400 (2018: decreased by £150,000,000) to £644,498,400 (2018: £644,000,000) due to the profit (2018: loss) for the period less the dividends paid to the immediate parent undertaking.

The financial risk management objectives are set out in the Directors Report (page 3).

Key performance indicators
The company is a holding company and does not set or monitor key performance indicators.

Section 172 statement
From the perspective of the board, as a result of the Group governance structure, the matters that it is responsible for considering under Section 172 (1) of the Companies Act 2006 ('s172') have been considered to an appropriate extent by the Group board in relation both to the Group and to this company. The board has also considered relevant matters where appropriate. To the extent necessary for an understanding of the development, performance and position of the company, an explanation of how the group board has considered the matters set out in s172 (for the Group and for the company) is set out on page 42 of the Reach plc annual report, which does not form part of this report.

Section 172 compliance outlined in the 2019 Reach plc Annual Report is applicable to the company. This gives an overview of how the company has engaged with key stakeholders during the year such as shareholders.

Principal risks and uncertainties
The company holds investments in fellow group companies. The principal risk is the carrying value of the company's investments which the directors review at least annually. The carrying value of the company's investments is impacted by the group's future performance and strategy. The risk is that the structural challenges facing print media results in a faster than anticipated loss of print revenue, and the growth of digital revenue is not sufficient, over time, to offset these declines. The directors look to mitigate this risk by the continuing focus on reducing costs.

Since year end a number of the principal risks and uncertainties have been impacted by COVID-19. The Company's subsidiaries took a number of mitigating actions to minimise the impact of the outbreak, including reducing salaries, furlough staff and agree a deferment of pension contributions and will continue to monitor this risk closely. The impact on the Company's subsidiaries revenues have gradually improved since April. There remains uncertainty around when circulation and advertising revenues will return to more normalised levels.

Approved by the Board on 17 December 2020 and signed on its behalf by:

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Reach Directors Limited
Director

Directors' Report for the 52 weeks ended 29 December 2019

The directors present their report and the financial statements for the 52 weeks ended 29 December 2019.

Directors of the company
The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

Jim Mullen (appointed 16 August 2019)

Simon Fuller (appointed 1 March 2019)

Simon Fox (resigned 16 August 2019)

Vijay Vaghela (resigned 30 June 2019)

Reach Directors Limited

Principal activity
The principal activity of the company is that of a holding company within the Reach plc group.

Results and dividends
The results for the period are set out on page 8. The profit for the period of £57,498,400 (2018: loss £95,000,000) has been transferred to (2018: from) reserves. During the period, a dividend of £57,000,000 was paid to the immediate parent undertaking (2018: £55,000,000). No dividends have been proposed or paid since the period end.

Financial risk management policies and objectives
The company's operations expose it to financial risks that include credit and liquidity risk. The company has mechanisms in place that seek to limit the impact of the adverse effects of these risks on the financial performance of the company.

Credit risk management
Credit risk refers to the risk that a counter-party with the company will default on its contractual obligations resulting in a financial loss. Credit risk for the company considers both external and inter-group debt. In respect of external debt, the company has adopted a policy of only dealing with creditworthy counterparties and ongoing credit evaluation is performed on the financial condition of trade receivables. In respect of inter-group receivables, the position of the counter-party, and the level of support provided by the wider Reach plc group are considered.

Liquidity risk management
The company, taking into consideration the support of the Reach plc group as required, actively manages its finances to ensure that it has sufficient funds available for its operations and to meet its obligations.

Financial position and future prospects
The financial position and future prospects of the company is set out in the Strategic Report on page 2.

Directors' Report for the 52 weeks ended 29 December 2019 (continued)

Going concern basis

In determining whether the company's financial statements can be prepared on a going concern basis the directors have considered the factors likely to affect the future development, performance and financial position of the company. In particular, the directors have reviewed the assessment, particularly as a result of the COVID-19 outbreak. The company has faced reductions in revenue ahead of the declines expected but the company has taken a number of mitigating actions to protect profits and cash flow.

The company has net current liabilities of £126,984,000 at 29 December 2019, which includes net amounts owed to other subsidiary undertakings of Reach plc of £126,984,000. The directors note that Reach plc Group has a strong balance sheet and liquidity with a net cash positive position of £41.9m at 28 June 2020. This represents a cash balance of £66.9m less £25.0m which has been drawn from the Group's revolving credit facility of £65.0m.

At the date of signing of these financial statements the directors have considered all the factors impacting the company's business, including downside sensitivities and the strong balance sheet of Reach plc. The company has in place a support letter from Reach plc, the Group's holding company stating that Reach plc will not seek repayment of amounts owed by the company unless alternative financing is available and will advance further amounts as required by the company from 12 months from the date of signature of the company financial statements.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Directors' liabilities

During the period and as at the date of signing the annual report and financial statements, the ultimate parent company has in place a directors' and officers' liability insurance policy which includes the company.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Independent auditors

On 24 July 2019 PricewaterhouseCoopers LLP were appointed as the company's independent auditors. The auditors PricewaterhouseCoopers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 17 December 2020 and signed on its behalf by:

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Reach Directors Limited
Director

Statement of Directors' Responsibilities in Respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 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.

Reach Publishing Group Limited
(Registration number: 3890730)

Independent Auditor's Report to the Members of Reach Publishing Group Limited

Report on the audit of the financial statements

Opinion
In our opinion, Reach Publishing Group Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 29 December 2019 and of its profit for the 52 week period (the 'period') then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the 'Annual Report'), which comprise the; Balance Sheet, as at 29 December 2019; Profit and Loss Account; Statement of Changes in Equity for the period then ended and Notes to the Financial Statements, including a summary of significant accounting policies.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which include the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on 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. 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 this regard.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent Auditor's Report to the Members of Reach Publishing Group Limited (continued)

Strategic Report and Directors' Report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 29 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements set out on page 5, 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.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report, including the opinions, has been prepared for only the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

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

- 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.

We have no exceptions to report arising from this responsibility.

Stuart Newman

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Stuart Newman (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP,
Chartered Accountants and Statutory Auditors
London

17 December 2020

Profit and Loss Account
for the 52 weeks ended 29 December 2019 (52 weeks ended 30 December 2018)

	Note	52 weeks ended 29 December 2019 £ 000	52 weeks ended 30 December 2018 £ 000
Impairment in investments	7	-	(150,000)
Income from shares in subsidiary undertakings		57,000	55,000
Income from shares in associate undertakings		498	-
Profit/(loss) on ordinary activities before tax	3	57,498	(95,000)
Tax on profit/(loss) on ordinary activities	5	-	-
Profit/(loss) for the period		57,498	(95,000)

All results arose from continuing operations.

There are no recognised gains or losses other than the profit/(loss) for the period. Accordingly, a separate statement of comprehensive income has not been presented.

Reach Publishing Group Limited
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Statement of Changes in Equity
for the 52 weeks ended 29 December 2019 (52 weeks ended 30 December 2018)

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2018	100,000	694,000	794,000
Loss for the period	-	(95,000)	(95,000)
Total comprehensive income	-	(95,000)	(95,000)
Dividends	-	(55,000)	(55,000)
At 30 December 2018	100,000	544,000	644,000

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 31 December 2018	100,000	544,000	644,000
Profit for the period	-	57,498	57,498
Total comprehensive income	-	57,498	57,498
Dividends	-	(57,000)	(57,000)
At 29 December 2019	100,000	544,498	644,498

The notes on pages 11 to 15 form an integral part of these financial statements.

Reach Publishing Group Limited
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Balance Sheet
at 29 December 2019 (at 30 December 2018)

	Note	29 December 2019 £ 000	30 December 2018 £ 000
Fixed assets			
Investments	7	771,482	771,482
Creditors: Amounts falling due within one year	8	(126,984)	(127,482)
Net assets		644,498	644,000
Equity capital and reserves			
Called up share capital	9	100,000	100,000
Profit and loss account	9	544,498	544,000
Total shareholders' funds		644,498	644,000

The financial statements on pages 8 to 15 were approved by the Board of Directors on 17 December 2020 and signed on its behalf by:

....

Simon Fuller
Director

The notes on pages 11 to 15 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:
One Canada Square
Canary Wharf
London
E14 5AP
United Kingdom

2 Basis of preparation and significant accounting policies

Statement of compliance
The company financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

Basis of preparation
The financial statements of Reach Publishing Group Limited, a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales, have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 requires the use of certain key accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

For administrative convenience, the financial statements are made up to a suitable date near the end of the calendar year. These financial statements have been prepared for the 52 weeks ended 29 December 2019 and the comparative period has been prepared for the 52 weeks ended 30 December 2018.

The financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the company operates.

The nature of the company's operations and its principal activitiy are set out in the Directors' Report on page 3.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, by virtue of section 400 of the Companies Act 2006, because it is included in the group accounts of Reach plc. Details of the parent in whose consolidated financial statements the company is included are shown in note 11 to the financial statements.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, disclosure of remuneration paid to auditors for non-audit services, related party transactions key assumptions in cash flow projections and qualitative and quantitative information related to changes in contract assets and contract liabilities. Where required, equivalent disclosures are given in the group accounts of Reach plc. The group accounts of Reach plc are available to the public and can be obtained as set out in note 11.

Going concern
The financial statements have been prepared on a going concern basis as set out in the Directors' Report.

Amendments to IFRSs and new Interpretations that are mandatorily effective for the current year
There were no new amendments to IFRSs or new Interpretations effective for the current period for the company to adopt.

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Basis of preparation and significant accounting policies (continued)

Investments
Fixed asset investments are stated at cost less provision for any impairment. An impairment review is undertaken at each reporting date or more frequently when there is an indication that the recoverable amount is less than the carrying amount. Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use the estimated future cash flows of the cash-generating units relating to the investment are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted. Use of a post-tax discount rate to discount the future post-tax cash flows is materially equivalent to using a pre-tax discount rate to discount the future pre-tax cash flows. The impairment conclusion remains the same on a pre or post tax basis. If the recoverable amount of the cash-generating units relating to the investment is estimated to be less than its carrying amount, the carrying value of the investment is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account in the period in which it occurs and may be reversed in subsequent periods.

Income from shares in investment undertakings
Dividend income from investments (inlcuding subisdiares and associaites) is recognised when the shareholders' rights to receive payment have been established.

Financial instruments
Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Other financial liabilities
Financial liabilities, including borrowings, are initially recognised at fair value and subsequently measured at amortised cost, net of transaction costs.

Called up share capital
Ordinary shares are classified as equity.

Dividends
Dividend distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved.

2.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Investments impairment review
There is uncertainty in the value-in-use calculation. The value-in-use calculation requires the company to estimate the future cash flows expected to arise from the investment and a suitable discount rate in order to calculate present value. Projections are based on both internal and external market information and reflect past experience. The discount rate reflects the weighted average cost of capital of the company.

Critical judgements in applying the company's accounting policies
In the process of applying the company's accounting policies, described above, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements:

Assumptions used in the impairment review for investments in subsidiaries
Value in use is calculated for the Publishing activities of Reach plc. There is judgement required in the allocation of such value in use to the individual Publishing entities. At each reporting date management review the appropriateness of the allocation and performs impairment review for investments in subsidiaries.

3 Profit/(loss) on ordinary activities before tax

The auditors' remuneration of £1,000 (2018: £1,000) for the audit of the statutory financial statements of this company has been borne and not recharged by another group company.

4 Information regarding directors and employees

The company has no employees (2018: none).

Directors' emoluments
The directors holding office during the period consider their services to the company are incorporated within their duties as directors of Reach Plc Group, it is not practical to allocate remuneration to each entity. No remuneration has been apportioned to the company.

5 Tax on profit/(loss) on ordinary activities

Tax in the profit and loss account

	52 weeks ended 29 December 2019 £ 000	52 weeks ended 30 December 2018 £ 000
Tax in the profit and loss account	-	-

The tax on profit on ordinary activities before tax for the period is lower than the standard rate of corporation tax in the UK (2018: same) of 19% (2018: 19%).

The differences are reconciled below:

	52 weeks ended 29 December 2019 £ 000	52 weeks ended 30 December 2018 £ 000
Profit/(loss) before tax	57,498	(95,000)
Corporation tax at standard rate	10,925	(18,050)
Increase from effect of revenues exempt from taxation	(10,925)	(10,450)
Increase from effect of expenses not deductible in determining taxable profit	-	28,500
Total tax charge/(credit)	-	-

The Finance Act 2015 included legislation to reduce the rate of corporation tax from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020. This change had been substantively enacted at the balance sheet date. The government has announced that the rate of corporation tax will not be reduced from 1 April 2020 and that it will remain at 19%, but this has not yet been enacted.

6 Dividends paid

	52 weeks ended 29 December 2019 £ 000	52 weeks ended 30 December 2018 £ 000
Final dividend of £0.57 (2018: £0.55) per each ordinary share	57,000	55,000

7 Investments

Investment in subsidiary undertakings	£ 000
Cost	
At 30 December 2018	1,622,982
At 29 December 2019	1,622,982
Provision	
At 30 December 2018	(856,000)
At 29 December 2019	(856,000)
Carrying amount	
At 29 December 2019	766,982
At 30 December 2018	766,982

An impairment review at the reporting date of the company's investments was undertaken which indicated that nil (2018: £150,000,000) impairment charge was required.

The growth rates for the first three-year period are internal projections based on both internal and external market information and reflect past experience of and the risk associated with each investment. Projections for a further seven years have been prepared as this is the period over which the transformation to digital can be assessed. These were extrapolated based on estimated growth rates which do not exceed the average long-term growth rates for the relevant markets. The long-term growth rates beyond the 10-year period have been assessed at 0% based on the market position and maturity of the relevant market. The discount rate reflects the weighted average cost of capital of the company. The current post-tax and equivalent pre-tax discount rate used is 12.0% and 13.9% respectively. The impairment review is highly sensitive to reasonably possible changes in key assumptions used in the value-in-use calculations. A combination of reasonably possible changes in key assumptions such as print revenue declining at a faster rate than projected, digital revenue growth being significantly lower than projected or the scale of cost saving initiatives being delivered being lower than forecast, could lead to an impairment in investments.

The company's investments are in MGL2 Limited, Reach Regionals Limited and Reach Network Media Limited. For MGL2 Limited if these sensitivities led to a 19% reduction in value in use this would lead to the removal of the headroom. For Reach Regionals Limited if these sensitivities led to a 14% reduction in value in use this would lead to the removal of the headroom. For Reach Network Media Limited if these sensitivities led to a 42% reduction in value in use this would lead to the removal of the headroom.

A full list of subsidiaries at the reporting date with a carrying value of 766,982,000 (2018: £766,982,000) is appended on pages 16 to 18 and forms part of these financial statements.

Investment in associate undertakings	£ 000
Cost	
At 30 December 2018	4,500
At 29 December 2019	4,500
Carrying amount	
At 29 December 2019	4,500
At 30 December 2018	4,500

Independent Star Limited is incorporated in Ireland with a registered office at Independent House, 27-32 Talbot Street, Dublin D01 X2E1.

8 Creditors: amounts falling due within one year

	29 December 2019 £ 000	30 December 2018 £ 000
Amounts owed to fellow subsidiaries	126,984	127,482

Intercompany balances are unsecured, non-interest bearing balances payable on demand.

9 Equity capital and reserves

Allotted, called up and fully paid shares

	29 December 2019		30 December 2018	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

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

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

10 Contingent liabilities

The company, together with certain of its fellow subsidiaries in the United Kingdom, has guaranteed the loans and bank overdraft of the group with certain of the group's bankers. At 29 December 2019, this amounted to nil (2018: £60.0 million).

11 Ultimate parent company and immediate parent undertaking

The company's immediate parent is Reach plc.

The ultimate parent is Reach plc. The group financial statements are available upon request from its registered office at One Canada Square, Canary Wharf, London E14 5AP

Relationship between entity and parents

The parent of the largest and smallest group in which these financial statements are consolidated is Reach plc, incorporated in England and Wales.

Appendix

In compliance with Section 409 of the Companies Act 2006, the following comprises a list of all related subsidiary undertakings of the company, as at 29 December 2019.

The following subsidiaries are 100% owned (all share classes) and are incorporated in England and Wales, with a registered address at One Canada Square, Canary Wharf, London E14 5AP.

Company

Direct
MGL2 Limited
Reach Regionals Limited
Reach Network Media Limited
Reach Media Group Ltd

Indirect

Ad-Mag (North East) Limited
Advertiser North London Group (Holdings) Limited
Advertiser North London Limited
AMRA Limited
Arrow Interactive Limited
Beaverbrook Newspapers Limited
Birmingham Live Limited
Birmingham Post & Mail (Exhibitions) Limited
Birmingham Post & Mail Trustees Limited
Blackfriars Leasing Ltd.
BPM Media (Midlands) Limited
Broughton Printers Limited
Burginhall 677 Limited
Camberry Limited
CDE Services Limited
Century Communications Ltd.
Channel One Liverpool Limited
Chargestake Limited
Charles Elphick Limited
City Television Network Limited
Community Magazines Limited
Conrad & Partners Limited
Coventry Newspapers Limited
Daily Express Limited
Daily Post Overseas Limited

Daily Star Limited
Denitz Investments Limited
Echo Press (1983) Limited
Enterprise Magazines Limited
Examiner News & Information Services Limited
Export Magazine Distributors Limited
Express Newspapers
Express Newspapers Pension Trustees Limited
Express Newspapers Properties Limited
Express Printers Manchester Limited
Express Property Management Limited
Gazette Media Company Limited
Huddersfield Examiner Limited

Indirect (continued)

Informer Publications Limited
Isle of Wight Newspapers Limited
Joseph Woodhead & Sons Limited
Kennyhill Limited
Lancashire & Cheshire County Newspapers Limited
Kent Regional Newspapers Limited
Legionstyle Limited
Live TV Limited
Local World Holdings Limited
Local World Limited
London and Westminster Newspapers Limited
London Newspaper Group Limited
Mainjoy Limited
Manchester Morning News Limited
Markstead Limited
Mayfair Celebs Limited
Media Wales Limited
Meilin Limited
MEN Investment Limited
MEN Media Limited
Mercury Distribution Services Limited
MG Estates Limited
MGN (86) Limited
MGN (AW) Limited
MGN (Canada Square) Limited
MGN (Services) Ltd
MGN Limited
MGN Pension Trustees Limited
MGN Property Developments Limited
Middlesex County Press Limited
Midland Independent Magazines Limited
Midland Independent Newspaper & Media Sales Limited
Midland Independent Weekly Newspapers Limited
Midland Leaflet Services Limited
Midland Newspapers Limited
Midland Newspapers Printers Limited
Midland United Newspapers Limited
Midland Weekly Media Limited
Midland Weekly Newspapers Limited
Mirror Colour Print (London No. 1 Plant) Limited
Mirror Colour Print (London) Limited
Mirror Colour Print (North) Limited
Mirror Colour Print Services (London) Limited
Mirror Colour Print Services Limited
Mirror Financial Services Limited

Indirect (continued)

Mirror Group Music Limited

Mirror Group Newspapers Limited
Mirror Group Newspapers North (1986) Limited
Mirror Projects Limited
MirrorAd Limited
Mirrorair Limited
Mirrorgroup Limited
MirrorNews Limited
MirrorTel Limited
NCJ Media Limited
North Eastern Evening Gazette Limited
Nunews Limited
O K Magazines Trading Co Limited
O.K. Magazines Limited
Odhams Newspapers Limited
Official Starting Prices Ltd
OK! Magazine Holdings Limited
Reach Magazines Distribution Limited
Reach Magazines Limited
Reach Magazines Publishing Limited
Reach Magazines Worldwide Limited
Reach Midlands Media Limited
Reach Network Media Limited
Reach Printing Services (Midlands) Limited
Reach Printing Services (Oldham) Limited
Reach Printing Services (Teesside) Limited
Reach Printing Services (Watford) Limited
Reach Printing Services (West Ferry) Limited
Reach Printing Services Limited
Reach Regionals Limited
Reach Regionals Media Limited
Reach Southern Media Limited
Reliant Distributors Limited
RH1 Limited
Scene Magazines Limited
Scene Newspapers Limited
Scene Printing (Midlands) Limited
Scene Printing Web Offset Limited
Sightline Publications Limited
Southnews Trustees Limited
Sunday Brands Limited

Sunday Express Limited
Sunday People Limited
Surrey & Berkshire Media Limited
Syndication International (1986) Limited
Syndication International Limited
T M S Pension Trustee Limited
The Adscene Group Limited
The Advertiser Limited
The Birmingham Boat Shows Limited
The Birmingham Post & Mail Limited

Indirect (continued)

The Chester Chronicle and Associated Newspapers Limited
The Daily Mirror Newspapers Limited
The Echo Press Limited
The Green Magazine Company Limited
The Hinckley Times Limited
The Liverpool Daily Post And Echo Limited
The People Limited
TIH (Cardiff) Limited
TIH (Chester) Limited
TIH (Newcastle) Limited
TIH (Teesside) Limited
TM Leasing Limited
TM Media Holdings Limited
TM Mobile Solutions Limited
TM North America Limited
TM Titles Limited
TM Tower Management Services Limited
Tower Magazines Limited
Trinity 100 Limited
Trinity 102 Limited
Trinity Mirror (L I) Limited
Trinity Mirror Acquisitions Limited
Trinity Mirror Cheshire Limited
Trinity Mirror Digital 1 Limited
Trinity Mirror Distributors Limited
Trinity Mirror Finance Limited
Trinity Mirror Huddersfield Limited
Trinity Mirror Marketing Direct Limited
Trinity Mirror Media Limited
Trinity Mirror Merseyside Limited
Trinity Mirror North Wales Limited
Trinity Mirror Printing (Cardiff) Limited
Trinity Mirror Printing (Liverpool) Limited
Trinity Mirror Printing (Newcastle) Limited
Trinity Mirror Videos Limited
Trinity Newspapers Southern Limited
United Magazines Publishing Services Limited
Wandsworth Independent Limited
Welshpool Web-Offset Co. Limited
West Ferry Leasing Limited
West Ferry Printers Pension Scheme Trustees Limited
Western Mail & Echo Limited
Whitbread Walker Limited
Wire TV Limited

The following subsidiary undertakings are 100% owned and incorporated in Scotland with a registered office at
One Central Quay, Glasgow, G3 8DA.

Indirect

Aberdonian Publications Limited
Anderston Quay Printers Limited
Dundonian Publications Limited
First Press Publishing Limited
Glaswegian Publications Limited
Insider Group Limited
Insider Publications Limited
Media Scotland Limited
Metropolitan Free Newspapers Limited
Newsday Limited
Northern Print Services Limited
Reach Printing Services (Saltire) Limited
Saltire Press Limited
Scotfree Limited
Scottish and Universal Newspapers Limited
Scottish Daily Record and Sunday Mail Limited
Scottish Express Newspapers Limited
The Edinburgh And Lothians Post Limited
Trinity Mirror Printing (Blantyre) Limited

The following subsidiary undertaking is 100% owned and incorporated in Ireland with a registered office at
40 Upper Mount Street, Dublin 2, Ireland.

Indirect

Reach Publishing (Ireland) Limited

The following subsidiary undertaking is 100% owned and incorporated in America with a registered office at
101 Avenue of the Americas, New York, 10013.

Indirect

Trinity Mirror Marketing LLC

Associated Undertakings

Indirect

Name	**Incorporated**	**Ownership**	**Registered office address**
Brand Events TM Limited	United Kingdom	50%	4 Vencourt Place, London, W6 9NU
Echo Building (Liverpool) Limited	United Kingdom	50%	One Canada Square, Canary Wharf, London, E14 5AP
PA Media Group Limited	United Kingdom	19.96%	The Point, 37 North Wharf Road, Paddington, London, W2 1AF