PEEL INVESTMENTS (LJLA) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

COMPANY NUMBER 08945766

Contents

Company Information

Directors:	Steven Underwood A.C.A. John Whittaker
Company number:	08945766
Registered Office:	Venus Building 1 Old Park Lane TraffordCity Manchester M41 7HA
Auditor:	Deloitte LLP Statutory Auditor Manchester United Kingdom
Bankers:	Barclays Bank Plc

Directors' Report *for the year ended 31 March 2021*

The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2021.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and for the same reason a strategic report has not been prepared.

Principal Activities and Review of the Business

The principal activity of the Group is holding an investment in Liverpool Airport Holdings Limited. During the prior year the Group sold its investment, Liverpool Airport (Intermediate) No.1 Limited to its parent company, Peel Investments LJLA (IOM) Limited. The level of activity within the group has reduced following the sale of the group's trading investment, Liverpool Airport, in prior year.

The results for the year and the financial position at the year-end were considered satisfactory by the directors.

Going concern

In assessing going concern the directors consider the group's business activities, together with factors that are likely to affect its future development and position. The directors of the company note that the majority of the company's assets and liabilities are intercompany transactions with fellow Peel Group subsidiaries.

Considering the nature of the business as a holding company, the directors acknowledge that the company is dependent on the liquidity of the Peel Group and have concluded that the company requires Group support.

The directors have received confirmation that Peel Airports Holdings (IOM) Limited, the group's holding company, will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future.

Accordingly, after making enquiries and taking all factors into account, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis in preparing the annual report and non-statutory 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.

Directors

The following directors have held office during the year and thereafter:

Steven Underwood A.C.A.
John Whittaker
Ruth Woodhead (Appointed on 23 March 2021 and resigned on 31 March 2021)

Directors' indemnities

The company 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.

Auditor

The auditor, Deloitte LLP, is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Directors' Report *continued*

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 & 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 judgments 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.

Statement of disclosure to the 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.

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

Steven Underwood A.C.A.
Director
20 December 2021

Independent Auditor's Report to the members of Peel Investments (LJLA) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Peel Investments (LJLA) Limited (the '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 2021 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 of which comprise:

- the group Profit and Loss account;
- the group and company Balance Sheets;
- group and company Statements of Changes in Equity; and
- the related notes 1 to 10.

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.

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.

Independent Auditor's Report to the members of Peel Investments (LJLA) Limited (continued)

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

We obtained an understanding of the legal and regulatory framework that the company 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 company's ability to operate or to avoid a material penalty. These included GDPR, employment law, health and safety and building regulations.

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

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.

Independent Auditor's Report to the members of Peel Investments (LJLA) Limited (continued)

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 / 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 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 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 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions 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

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

20 December 2021

Group Profit and Loss Account *for the year ended 31 March 2021*

	Note	2021 £	2020 £
Administrative expenses		(896,000)	(99,672)
Impairment of unlisted investments	5	-	(868,854)
Operating loss		(896,000)	(968,526)
Interest receivable and similar income		119,716	983,043
Interest payable and similar charges		(30,082)	(309,108)
Loss before taxation		(806,366)	(294,591)
Tax (expense)/credit on loss	3	(31,153)	82,500
Loss after taxation		(837,519)	(212,091)

All the above results are derived from continuing operations.

There are no recognised gains and losses other than those passing through the Profit and Loss Account in the current period. Accordingly, no separate Statement of Comprehensive Income has been prepared.

Balance Sheets *as at 31 March 2021*

	Note	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Fixed assets					
Investments	5	-	-	4,000,001	4,000,001
Debtors	6	5,045,757	4,854,927	1,133,815	1,095,753
		5,045,757	4,854,827	5,133,816	5,095,754
Current assets					
Debtors	6	-	76,407	801	6,093
Cash at bank and in hand		397	11,283	397	11,283
		397	87,690	1,198	17,376
Creditors: amounts falling due within one year	7	(1,274,234)	(1,233,178)	(1,246,820)	(1,223,613)
Provisions for liabilities	8	(900,000)	-	-	-
		(2,174,234)	(1,233,178)	(1,246,820)	(1,223,613)
Net current liabilities		(2,173,837)	(1,145,488)	(1,245,622)	(110,484)
Net assets		2,871,920	3,709,439	3,888,194	3,889,517
Capital and reserves					
Called-up share capital	9	1	1	1	1
Profit and loss account		2,871,919	3,709,438	3,888,193	3,889,516
Shareholder's funds		2,871,920	3,709,439	3,888,194	3,889,517

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

During the year the holding company made a loss of £1,323 (2020: £6,115 loss).

The notes on pages 10 to 17 form an integral part of the financial statements.

The financial statements were approved by the Board of directors and authorised for issue on 20 December 2021.

Steven Underwood A.C.A.
Director
Company Registration No: 08945766

Group Statement of Changes in Equity *as at 31 March 2021*

	Called-up share capital	Profit and loss account	Total
	£	£	£
At 1 April 2019	1	(78,471)	(78,470)
Loss and total comprehensive expense for the year	-	(212,091)	(212,091)
Share issue	4,000,000	-	4,000,000
Capital reduction	(4,000,000)	4,000,000	-
At 31 March 2020	1	3,709,438	3,709,439
Loss and total comprehensive expense for the year	-	(837,519)	(837,519)
At 31 March 2021	1	2,871,919	2,871,920

Company Statement of Changes in Equity *as at 31 March 2021*

	Called-up share capital	Profit and loss account	Total
	£	£	£
At 1 April 2019	1	(104,369)	(104,368)
Loss and total comprehensive expense for the year	-	(6,115)	(6,115)
Share issue	4,000,000	-	4,000,000
Capital reduction	(4,000,000)	4,000,000	-
At 31 March 2020	1	3,889,516	3,889,517
Loss and total comprehensive expense for the year	-	(1,323)	(1,323)
At 31 March 2021	1	3,888,193	3,888,194

During the prior year the company issued 4,000,000 £1 ordinary shares. Following the issue of share capital, a capital reduction of 4,000,000 £1 ordinary shares was completed with the balance taken to the profit and loss account.

Notes to the Financial Statements *for the year ended 31 March 2021*

1. Accounting policies

Company information

Peel Investments (LJLA) Limited is a private company, limited by shares, and registered in England and Wales and incorporated in the United Kingdom with company registration number 08945766. The registered office is Venus Building, 1 Old Park Lane, TraffordCity, Manchester, M41 7HA.

Accounting convention

These financial statements have been prepared in accordance with Section 1A of "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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain items to fair value. The principal accounting policies adopted are set out below, the policies have been applied consistently throughout the year and preceding year.

Going concern

In assessing going concern the directors consider the group's business activities, together with factors that are likely to affect its future development and position. The directors of the group note that the majority of the group's assets and liabilities are intercompany transactions are with fellow Peel Group subsidiaries. Considering the nature of the business as a holding company for Liverpool Airport Holdings Limited, the directors acknowledge that the company is dependent on the liquidity of the Peel Group and have concluded that the company requires Group support.

As with previous years the directors have sought and received confirmation that Peel Airports Holdings (IOM) Limited, ("Peel Airports"), the company's holding company, will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future. The directors have a good understanding of the financial position of Peel Airports and the wider Peel Group. In considering the ability of Peel Airports 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 Group's forecasts, the continuing availability of its facilities and its strategic and contingent plans. Key details of these are as follows:

Peel Group cashflow forecasts reflect current expectations of the ongoing impact of COVID-19 and management actions taken to date. Sensitivities have also been considered to reflect downside scenarios including potential further reductions in property valuations and the impact on loan to value covenants on debt facilities. These covenants currently operate with headroom and in the event of reductions in value there are mitigating actions that could be deployed to create further headroom. These forecasts show that, even allowing for these downsides, for a period of 12 months from the signing of the accounts the Group has sufficient cash reserves to mitigate risks and is in a strong position to withstand the potential impact. The directors are confident that the Group is well placed to manage its business risks satisfactorily and is in a strong position to withstand further impact from COVID-19.

Taking all these factors into account, the directors have a reasonable expectation that the group 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.

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

1. Accounting policies *(continued)*

Group Financial Statements

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up to 31 March each year. Results of subsidiary undertakings acquired or disposed of during the year are included from the date of acquisition or to the date of disposal.

Intra-group turnover and profits are eliminated on consolidation.

As permitted by Section 480 of the Companies Act 2006, a separate profit and loss account for the holding company is not presented 2020: the result of the holding company was a loss of £1,323 (2020: £6,115 loss).

Fixed asset investments

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

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 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.

Related party transactions

The company has taken advantage of the exemption in Section 33 of FRS 102 and has not disclosed details of transactions with fellow wholly owned undertakings within the Peel Holdings Group Limited group of companies.

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

Financial instruments
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 or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction 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 comply with all of the condition of paragraph 11.9 of FRS 102 are classified as 'basic'. For debt instruments that do not meet the conditions of FRS 102.11.9, it is considered whether the debt instrument is consistent with the principle in paragraph 11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be 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 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, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

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

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

1. Accounting policies *(continued)*

Financial instruments *(continued)*

Classification of financial liabilities
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.

Basic financial liabilities
Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Cash and cash equivalents

Cash and cash equivalents 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.

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.

Following the sale of the Group's investment during prior year there are no estimates at the year end.

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.

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

3. Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's annual financial statements	4,000	4,000

4. Tax expense/(credit) on loss

	2021	2020
	£	£
Current period tax:		
Adjustments in respect of prior periods – Group relief	31,153	(51,347)
Group relief	-	(31,153)
Total tax charge/(credit)	31,153	(82,500)

Reconciliation of current tax charge:		
Loss before taxation	(806,366)	(294,591)
UK corporation tax at 19% (2020:19%)	(153,210)	(55,972)
Expenses not deductible for tax purposes	171,000	4,747
Non-deductible write down of investments	-	165,176
Unrecognised movement on deferred tax in relation to losses	4,956	6,146
Non-taxable income	-	(173,058)
Transfer pricing adjustment re interest	-	21,808
Prior period adjustments – Group relief	31,153	(51,347)
Group losses not paid for	(22,746)	-
Total tax expense/(credit)	31,153	(82,500)

The standard rate of tax applied to reported profit on ordinary activities is 19.00% (2020: 19.00%). The March 2021 Budget announced that the UK corporation tax rate will increase to 25.00% with effect from 1 April 2023. As this change has not yet been substantively enacted as at 31 March 2021, tax balances continue to be measured at a rate of 19.00%.

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

5. Fixed asset investments

(a) Unlisted investments

	Group 2021 £	Group 2020 £
Investments	-	-

During the prior year the principal company held as an investment, Liverpool Airport (Intermediate) No.1 Limited, was sold to the parent company, Peel Investments LJLA (IOM) Limited. No gain or loss was recognised on disposal.

(b) Subsidiary undertakings

	Company 2021 £	Company 2020 £
Investments	4,000,001	4,000,001

Audit exemption
All of the subsidiary undertakings of the group are consolidated at 31 March 2021, all of which are wholly owned and claimed exemption from audit under section 479A Companies Act 2006, were as follows:

Company	Incorporated	Principal Activity	Shareholding
Liverpool Airport LJLA Group Limited	United Kingdom	Holding Company	100%
Liverpool Airport Finance Limited	United Kingdom	Holding Company	100%
Liverpool Airport Holdings Limited	United Kingdom	Holding Company	100%

All of the above subsidiaries are included in the consolidation. The Company's investment in Liverpool Airport LJLA Group Limited is direct ownership, all other investments are indirect ownership.

The registered address of all subsidiary undertakings is: Venus Building, 1 Old Park Lane, TraffordCity, Manchester, M41 7HA.

6. Debtors – Fixed assets

	Group 2021 £	Restated Group 2020 £	Company 2021 £	Restated Company 2020 £
Amounts owed by fellow group undertakings	5,045,757	4,854,927	-	-
Amounts owed by subsidiary undertakings	-	-	1,133,815	1,095,753
	5,045,757	4,854,927	1,133,815	1,095,753

Notes to the Financial Statements *for the year ended 31 March 2021 (continued)*

6. Debtors – Current assets

	Group 2021 £	Restated Group 2020 £	Company 2021 £	Restated Company 2020 £
Amounts owed by fellow group undertakings	-	-	801	6,093
Other debtors	-	76,407	-	-
	-	76,407	801	6,093

The intercompany balances are repayable on demand. Interest is charged on amounts owed by subsidiary undertakings at LIBOR +2.25% (2020: same). No interest is charged on amounts owed by fellow group undertakings.

There has been a restatement of the classification of 31 March 2020 amounts owed by group undertakings and amounts owed by subsidiary undertakings to reflect their nature as long-term assets. These have historically been shown as current assets and are now classified as fixed assets, in reflection of the fact that these loans were provided to meet the capital requirements of the borrowers and repayment is not expected in the near future. All intercompany balances are legally repayable on demand but the nature of the loans to group undertakings is long term assets which are not intended to be recalled within the next twelve months.

7. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts owed to fellow group undertakings	1,271,654	1,211,613	1,242,820	1,211,613
Accruals and deferred income	2,580	21,565	4,000	12,000
	1,274,234	1,233,178	1,246,820	1,223,613

The intercompany balances are repayable on demand. Interest is charged at Libor plus 2.25% (2020: same).

8. Provisions

	Group £
At 1 April 2020	-
Additions	900,000
At 31 March 2021	900,000

During the year, a new provision amounting to £0.9m was created in respect of a specific legal claim. This represents the directors' best estimate of the amount required to settle the Group's obligations. This obligation was paid in full and final settlement post year end.

Notes to thc Financial Statements *for the year ended 31 March 2021 (continued)*

9. Called up share capital

	Group & Company 2021 £	Group & Company 2020 £
Allotted, called-up and fully paid		
1 ordinary share of £1 each	1	1
Share issue (4,000,000 ordinary shares of £1 each)	-	4,000,000
Capital reduction	-	(4,000,000)
	1	1

The Company issued 4,000,000 shares in prior year for £1 each. This new capital was then reduced and transferred to the profit and loss reserve.

10. Ultimate holding company

The ultimate holding company in the period to 31 March 2021 was Tokenhouse Limited, a company incorporated in the Isle of Man. Tokenhouse Limited is controlled by the Billown 1997 Settlement.

The immediate holding company is Peel Investments LJLA (IOM) Limited, a company incorporated in the Isle of Man.

The smallest group of companies, of which the company is a member, that produces consolidated statements are Peel Investments (LJLA) Limited.