

Registration number: 5528329

DMG Asset Finance Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 30 September 2021

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DMG Asset Finance Limited

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DMG Asset Finance Limited

Company Information

Directors W R Flint
 F L Sallas

Company secretary F L Sallas

Registered office Northcliffe House
 2 Derry Street
 London
 W8 5TT

Bankers The Royal Bank of Scotland
 Corporate Services
 135 Bishopsgate
 London
 EC2M 1HT

DMG Asset Finance Limited

Directors' Report for the Year Ended 30 September 2021

The directors present their Annual Report on the affairs of the Company, together with the unaudited financial statements for the year ended 30 September 2021.

Directors of the Company

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

W R Flint
F L Sallas

Business review

Fair review of the business

The Company generated a profit of £1,493,141 in the current year (period ending 30 September 2020 £603,742).

Principal risks and uncertainties

Given the Company's limited trading activities, the risks and uncertainties that it faces are minimal. Any potential risks would be related to the leasing of equipment to fellow Daily Mail and General Trust ("DMGT") subsidiary companies which are explained below:

Credit risk relating to the Company's trade and other receivables of its leasing agreements.

Liquidity risk is managed by monitoring the Company's cash balances to ensure that sufficient resources are available to meet operational requirements as they fall due.

Price risk is managed by the directors to ensure that lease pricing is set at a economically fair and reasonable level.

Tax risk

There is a risk that changing tax laws would have an adverse effect on the Company's financial results. Working with divisional management and external experts the Company has a team of in-house specialists who review all tax arrangements within the Company and keep abreast of changing legislation.

Future developments

The directors expect the general level of activity of the Company to remain consistent with prior periods and the Company's principal activities are not expected to change substantially.

DMG Asset Finance Limited

Directors' Report for the Year Ended 30 September 2021

Going concern

The directors have considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position, as set out in the Operating and Business Review which forms part of the Strategic Report. The financial position of the Company is showing a net current asset position at 30 September 2021. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

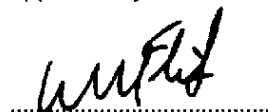
The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of this report. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors indemnity

A qualifying third-party indemnity (QTPI), as permitted by the Company's Articles of Association and Sections 232 and 234 of the Companies Act 2006, has been granted by the Company to each of the Directors of the Company. Under the provisions of the QTPI, the Company undertakes to indemnify each Director against liability to third parties (excluding criminal and regulatory penalties) and to pay Directors' defence costs as incurred, provided that they are reimbursed to the Company if the Director is found guilty or, in an action brought by the Company, judgement is given against the Director.

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

Approved by the Board on 9 February 2022 and signed on its behalf by:



W R Flint
Director

DMG Asset Finance Limited

Strategic Report for the Year Ended 30 September 2021

The directors present their strategic report for the year ended 30 September 2021.

Principal activity


The principal activity of the Company is to lease equipment to other DMGT group companies.

The Company is a wholly-owned subsidiary of DMGT.

Operating and business review

The Company generated a profit of £1,493,141 in the current year (period ending 30 September 2020 £603,742).

Approved by the Board on 9 February 2022 and signed on its behalf by:



W R Flint
Director

DMG Asset Finance Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' (FRS 101) 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

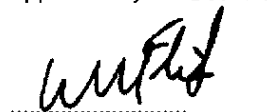
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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.

Approved by the Board on 9 February 2022 and signed on its behalf by:



W R Flint
Director

DMG Asset Finance Limited

Income Statement for the Year Ended 30 September 2021

		Year ended 30 September 2021	Year ended 30 September 2020
	Note	£	£
Turnover	3	170,000	170,000
Administrative expenses	4	<u>(153,529)</u>	<u>(153,529)</u>
Operating profit	4	<u>16,471</u>	<u>16,471</u>
Other interest receivable and similar income	5	8,976	8,976
Interest payable and similar charges	6	<u>(2,033)</u>	<u>(13,994)</u>
		<u>6,943</u>	<u>(5,018)</u>
Profit on ordinary activities before taxation		23,414	11,453
Tax on profit on ordinary activities	8	<u>1,469,727</u>	<u>592,289</u>
Profit for the financial year		<u><u>1,493,141</u></u>	<u><u>603,742</u></u>

The above results were derived from continuing operations.

The notes on pages 11 to 23 form an integral part of these financial statements.

DMG Asset Finance Limited

Statement of Comprehensive Income for the Year Ended 30 September 2021

	Year ended 30 September 2021 £	Year ended 30 September 2020 £
Profit for the financial year	<u>1,493,141</u>	<u>603,742</u>
Total comprehensive income for the year	<u><u>1,493,141</u></u>	<u><u>603,742</u></u>

The notes on pages 11 to 23 form an integral part of these financial statements.

DMG Asset Finance Limited

Statement of Changes in Equity for the Year Ended 30 September 2021

	Called up share capital £	Retained earnings £	Total shareholders funds £
At 1 October 2019	100,000	5,479,454	5,579,454
Profit for the period	-	603,742	603,742
Total comprehensive expense	-	603,742	603,742
At 30 September 2020	100,000	6,083,196	6,183,196

	Share capital £	Retained earnings £	Total shareholders funds £
At 1 October 2020	100,000	6,083,196	6,183,196
Profit for the year	-	1,493,141	1,493,141
Total comprehensive income	-	1,493,141	1,493,141
At 30 September 2021	100,000	7,576,337	7,676,337

The Directors estimate that £nil of the Company's profit and loss account reserve is not distributable (2020 £nil).

The notes on pages 11 to 23 form an integral part of these financial statements.

DMG Asset Finance Limited**(Registration number: 5528329)****Statement of Financial Position as at 30 September 2021**

	Note	2021 £	2020 £
Fixed assets			
Property, plant and equipment	9	307,059	460,588
Deferred tax assets	8	<u>6,142,397</u>	<u>4,639,051</u>
		<u>6,449,456</u>	<u>5,099,639</u>
Current assets			
Trade and other receivables less than one year	10	1,260,440	425,000
Cash at bank and in hand		60	84
Group relief receivable	8	<u>-</u>	<u>1,006,191</u>
		<u>1,260,500</u>	<u>1,431,275</u>
Creditors: Amounts falling due within one year			
Trade and other payables	11	-	(347,718)
Corporation tax	8	<u>(33,619)</u>	<u>-</u>
Creditors: Amounts falling due within one year		<u>(33,619)</u>	<u>(347,718)</u>
Net current assets		<u>1,226,881</u>	<u>1,083,557</u>
Net assets		<u>7,676,337</u>	<u>6,183,196</u>
Capital and reserves			
Called up share capital	12	100,000	100,000
Retained earnings		<u>7,576,337</u>	<u>6,083,196</u>
Shareholders' funds		<u>7,676,337</u>	<u>6,183,196</u>

The notes on pages 11 to 23 form an integral part of these financial statements.

DMG Asset Finance Limited

(Registration number: 5528329)

Statement of Financial Position as at 30 September 2021

For the financial year ending 30 September 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 23 were approved by the Board on 9 February 2022 and signed on its behalf by:



.....
W R Flint

Director

The notes on pages 11 to 23 form an integral part of these financial statements.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

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:

Northcliffe House

2 Derry Street

London

W8 5TT

United Kingdom

The principal activity of the Company is to lease equipment to other DMGT group companies.

The Company is a wholly-owned subsidiary of DMGT.

2 Accounting policies

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.

Basis of preparation

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Critical accounting judgements and key sources of estimation uncertainty

Tax

Tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the tax is recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax liabilities are recognised for taxable temporary differences arising in investments in subsidiaries, joint ventures and associates except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the period end date, and is not discounted.

The carrying amount of deferred tax assets is reviewed at each period end date, and is reduced or increased as appropriate to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered, or it becomes probable that sufficient taxable profits will be available.

Summary of disclosure exemptions

Set out below are the applicable IFRS 1 exemptions applied by the Company under FRS 101.

IFRS 1 exemption options

Standards issued but not effective

The Company has applied the exemption available under FRS 101 in relation to paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued and is not yet effective).

Cash Flow Statement

The Company has utilised the exemptions provided under IAS 7 'Statement of Cash Flows' and has not presented a cash flow statement. A consolidated cash flow statement has been presented in the Group's Annual Report.

Related Party Transactions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101: Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation) and the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Exemption for fair value as deemed cost

The Company has elected to measure certain items of property, plant and equipment at fair value at the date of transition and has used those values as the deemed cost at that date.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Going concern

The directors have considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position, as set out in the Operating and Business Review which forms part of the Strategic Report. The financial position of the Company is showing a net current asset position at 30 September 2021. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of this report. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Changes in accounting policy

There have been no new standards and amendments adopted during the year.

Revenue recognition

Revenue is stated at the fair value of consideration, net of value added tax, trade discounts and commission for the provision of equipment for leasing in the ordinary course of the Company's activities.

Where revenue contracts have multiple elements (such as software licences, data subscriptions and support), all aspects of the transaction are considered to determine whether these elements can be separately identified. Where transaction elements can be separately identified and revenue can be allocated between them on a fair and reliable basis, revenue for each element is accounted for according to the relevant policy below. Where transaction elements cannot be separately identified, revenue is recognised over the contract period.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class

Plant and machinery

Depreciation method and rate

Straight line over 7 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits with a maturity of three months or less.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Trade payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Definition

The Company assesses whether a contract is, or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Initial recognition and measurement

Where the Company acts as a lessee it recognises a right of use asset and corresponding liability at the date at which a leased asset is made available for use by the Company, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is measured at the present value of the future lease payments, discounted at the rate implicit in the lease, or if that cannot be readily determined, at the Company's incremental borrowing rate specific to the term, country, currency and start date of the lease.

The Company's lease payments include: fixed payments; variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement; and payments in an optional renewal period if the Group is reasonably certain to exercise an extension option or not exercise a break option less any lease incentives receivable, and an estimate of restoration, removal and dismantling costs.

Subsequent measurement

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured, with a corresponding adjustment to the right of use asset, when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation, or change in the Company's assessment of whether it is reasonably certain to exercise a purchase, extension or break option.

The right of use asset is initially measured at cost based on the value of the associated lease liability, adjusted for any payments made before inception, initial indirect costs and any dilapidation or restoration costs.

The right of use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right of use asset is tested for impairment if there are any indicators of impairment.

Short term and low value leases

Leases of low value assets and short-term leases of 12 months or less are expensed to the Income Statement, as are non-lease service components.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

The Company as a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership to the lessee and classified as an operating lease if it does not.

When the Company is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment in the lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Financial instruments

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to settle on a net basis, or realise the asset and liability simultaneously and where the Company intends to net settle.

Financial assets

Trade receivables

Trade receivables do not carry interest and are recognised initially at the value of the invoice sent to the customer i.e. amortised cost and subsequently reduced by allowances for estimated irrecoverable amounts.

Estimates are used in determining the level of receivables that will not, in the opinion of the directors, be collected. The Company applies the simplified approach permitted by IFRS 9, which requires the use of the lifetime expected loss provision for all receivables, including contract assets. These estimates are based on historic credit losses, macro-economic and specific country-risk considerations with higher default rates applied to older balances.

In addition if specific circumstances exist which would indicate that the receivable is irrecoverable a specific provision is made. A provision is made against trade receivables and contract assets until such time as the Company believes there to be no reasonable expectation of recovery, after which the trade receivable or contract asset balance is written off.

Financial liabilities and equity instruments

Trade payables

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Trade payables are non-interest bearing and are stated at their nominal value.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below:

Derecognition

Financial assets

The Company derecognises a financial asset, or a portion of a financial asset, from the Statement of Financial Position where the contractual rights to cash flows from the asset have expired, or have been transferred, usually by sale, and with them either substantially all the risks and rewards of the asset or significant risks and rewards, along with the unconditional ability to sell or pledge the asset.

Financial liabilities

Financial liabilities are derecognised when the liability has been settled, has expired or has been extinguished.

Accounting estimates and assumptions

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of certain financial assets, liabilities, income and expenses.

The use of estimates and assumptions is principally limited to the determination of provisions for impairment and the valuation of financial instruments as explained in more detail below:-

Provisions for impairment

In determining impairment of financial assets, judgement is required in the estimation of the amount and timing of future cash flows as well as an assessment of whether the credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

Fair value of financial assets and liabilities

Where the fair value of financial assets and liabilities cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is derived from observable markets where available, but where this is not feasible, a degree of judgement is required in determining assumptions used in the models. Changes in assumptions used in the models could affect the reported fair value of financial assets and liabilities.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

3 Turnover

The analysis of the Company's revenue for the year from continuing operations is as follows:

	Year ended 30 September 2021	Year ended 30 September 2020
	£	£
Operating lease income	<u>170,000</u>	<u>170,000</u>

Operating lease income is from the rental of the Company's fixed assets to a fellow subsidiary at £170,000 per annum.

All of the Company's turnover was generated in the United Kingdom.

4 Operating profit

Arrived at after charging:

	Year ended 30 September 2021	Year ended 30 September 2020
	£	£
Depreciation expense	<u>153,529</u>	<u>153,529</u>

5 Other interest receivable and similar income

	Year ended 30 September 2021	Year ended 30 September 2020
	£	£
Interest receivable from group undertakings	<u>8,976</u>	<u>8,976</u>

6 Interest payable and similar charges

	Year ended 30 September 2021	Year ended 30 September 2020
	£	£
Interest payable to group undertakings	<u>2,033</u>	<u>13,994</u>

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

7 Directors' remuneration

The directors did not receive any remuneration in respect of qualifying services in either the current or prior year. The remuneration of the directors is paid by the parent company which makes no recharge to the company. The directors' remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of the parent company. Other than the directors there were no other employees in either the current or the prior year.

8 Tax on loss on ordinary activities

Tax charged/(credited) in the income statement

	Year ended 30 September 2021 £	Year ended 30 September 2020 £
Current taxation		
UK corporation tax	33,619	(1,006,191)
Deferred taxation		
Arising from origination and reversal of temporary differences	<u>(1,503,346)</u>	<u>413,902</u>
Tax credit in the income statement	<u>(1,469,727)</u>	<u>(592,289)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020: lower than the standard rate of corporation tax in the UK) of 19% (2020 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	<u>23,414</u>	<u>11,453</u>
Corporation tax at standard rate	4,449	2,176
Deferred tax credit relating to changes in tax rates or laws	<u>(1,474,176)</u>	<u>(594,465)</u>
Total tax credit	<u>(1,469,727)</u>	<u>(592,289)</u>

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

The main rate of UK corporation tax was 19% (2020: 19%) throughout the period, accordingly, current tax has been provided for at an effective rate of 19% (2020: 19%) in these financial statements.

Under FRS101, deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the balance sheet date. Legislation was enacted in June 2021 to increase the UK corporation tax rate from 19.0% to 25.0% with effect from 1 April 2023. Accordingly, for the year ended 30 September 2021, the UK deferred tax balances are measured at 25.0% unless the temporary difference is expected to reverse before 1 April 2023, in which case the rate used is the one applicable at the expected time of reversal. For the year ended 30 September 2020, the UK deferred tax balances were measured at 19.0% as this was the rate applicable for the reversal of all UK temporary differences as at 30 September 2020. The numbers for the year ended 30 September 2020 also include the impact of restating the UK deferred tax balances to 19.0%, following the enactment of legislation to cancel a planned reduction in UK corporation tax to 17.0% with effect from 1 April 2020.

Deferred tax

Deferred tax assets and liabilities

Deferred tax movement during the current year:

	At 1 October 2020 £	Recognised in income £	At 30 September 2021 £
Accelerated tax depreciation	4,639,051	1,503,346	6,142,397

Deferred tax movement during the prior year:

	At 1 October 2019 £	Recognised in income £	At 30 September 2020 £
Accelerated tax depreciation	5,052,953	(413,902)	4,639,051

The directors are of the opinion that it is more likely than not that the level of profits in future financial years in the Company and the wider UK group will be sufficient to recover the recognised deferred tax asset. The Company does not have any unprovided deferred tax on temporary differences.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

9 Property, plant and equipment

	Plant and machinery £	Total £
Cost or valuation		
At 1 October 2020	1,074,705	1,074,705
At 30 September 2021	1,074,705	1,074,705
Accumulated depreciation		
At 1 October 2020	614,117	614,117
Charge for the year	153,529	153,529
At 30 September 2021	767,646	767,646
Carrying amount		
At 30 September 2021	307,059	307,059
At 30 September 2020	460,588	460,588

10 Trade and other receivables

	At 30 September 2021 £	At 30 September 2020 £
Current trade and other receivables		
Amounts due from group undertakings	1,260,440	425,000
Total current trade and other receivables	1,260,440	425,000

Amounts due from group undertakings due within one year are owed by a fellow group undertaking, *Associated Newspapers Limited* and its parent undertaking, *Daily Mail and General Holdings Limited* (2020 owed by a fellow group undertaking, *Associated Newspapers Limited*).

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

11 Current liabilities

	At 30 September 2021 £	At 30 September 2020 £
Current liabilities		
Payables to group companies	-	347,718
Corporation tax	33,619	-

Payables to group companies consists of £nil (2020: £347,718) to Daily Mail and General Holdings Limited which is repayable on demand and bears interest at UK base rate plus 0.5%.

12 Called up share capital

Allotted, called up and fully paid shares

	At 30 September 2021 Number	£	At 30 September 2020 Number	£
Ordinary shares of £1 each	100,000	100,000	100,000	100,000

13 Ultimate parent company and controlling party

The Company's ultimate parent company is Rothermere Continuation Limited (RCL), a company incorporated in Jersey, in the Channel Islands.

Ultimate controlling party

Rothermere Continuation Limited (RCL) is a holding company incorporated in Jersey, in the Channel Islands. The main asset of RCL is its controlling shareholding in DMGT, being its 100% holding of DMGT's issued Ordinary Shares and the largest single holding of DMGT A Ordinary Shares. RCL is controlled by a discretionary trust (the Trust) which is held for the benefit of Viscount Rothermere and his immediate family. The Trust is the ultimate controlling party of the Company. Both RCL and the Trust are administered in Jersey. RCL and its directors, and the Trust are related parties of the Company.

The Company's immediate parent undertaking at the balance sheet date is Daily Mail and General Holdings Limited.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

Relationship between entity and parents

The largest and smallest group of which the Company is a member and from which group financial statements are drawn up is that of Daily Mail and General Trust Plc, incorporated in England and Wales.

Copies of the report and financial statements are available from the Company Secretary at:

Northcliffe House

2 Derry Street

London

UK

W8 5TT

14 Non adjusting events after the financial period

On 3 November 2021, it was announced (the Offer Announcement) that Rothermere Continuation Limited (RCL) and the Non-conflicted DMGT Directors had reached agreement on the definitive terms of a cash offer (the Offer) by RCL of £2.55 per DMGT A Share to acquire all the issued and to be issued DMGT A Shares not already owned by RCL (the Offer Shares).

On 2 December 2021, it was further announced that the Non-conflicted DMGT Directors and RCL had reached agreement on the terms of a recommended increased and final cash offer for DMGT by RCL (the "Final Offer") of £2.70. The 2 December 2021 announcement also stated that the acceptance condition of the Final Offer would be lowered. The Final Offer was then conditional upon, taken together with DMGT Shares which it already held, RCL acquiring or agreeing to acquire more than 50% of all DMGT Shares (or such lower percentage as RCL may decide, with the consent of the Non-conflicted DMGT Directors).

The Non-conflicted DMGT Directors are those that are considered independent in respect of the Offer. The Offer Announcement followed DMGT's announcement on 12 July 2021 of a possible major reorganisation of the Group and, subject to pre-conditions, a possible offer by RCL for the Offer Shares. Conditional upon the Offer becoming or being declared unconditional (Offer Acceptance), DMGT intended to declare a special dividend payable to all DMGT shareholders, including RCL. The special dividend would comprise cash of £5.68 per DMGT Share and shares in Cazoo Group Ltd (Cazoo). The Cazoo share component would be approximately 0.5749 Cazoo shares per DMGT Share, subject to rounding for each DMGT shareholder and a reduction in the event of the sterling equivalent market value of each Cazoo share exceeding c.£7.38 on the date that the settlement is calculated. The Non-conflicted DMGT Directors are Kevin Beatty, Tim Collier, Kevin Parry, JP Rangaswami, Heidi Roizen, Dominique Trempont and Filippa Wallestam and they recommended the Offer to DMGT's A shareholders. Shareholders had until 1:00 p.m. GMT on 16 December 2021 to decide whether or not they would accept the Offer. The Offer was conditional upon RCL having received valid acceptances in respect of not less than 90.0% of the Offer Shares, or a lower percentage as RCL would decide, provided that this condition would not be satisfied unless RCL had acquired or agreed to acquire more than 50.0% of all DMGT shares, including those already owned by RCL.

DMG Asset Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 September 2021

On 16 December 2021, it was announced that sufficient acceptances had been received for the Final Offer to become unconditional in all respects.

On 6 January 2022, RCL announced that the Final Offer would remain open for acceptance until further notice, with 14 days' notice being given in advance of final closure of the Final Offer. On 7 January 2022, RCL announced that it had received valid acceptances of the Final Offer representing c.96.6% of the issued DMGT A Shares not already owned by RCL ("Offer Shares").

On 7 January 2022, RCL announced that in light of the level of acceptances exceeding 90% of the Offer Shares, RCL intends to exercise its statutory squeeze-out rights to acquire compulsorily the remaining Offer Shares on the same terms as the Final Offer. On 12 January 2022, RCL made a further announcement that on 24 February 2022 it would acquire compulsorily all remaining shares that it had not already acquired by that date.

On 21 December 2021, it was announced that the DMGT Board had resolved to make applications to cancel trading in all DMGT shares on the London Stock Exchange's main market for listed securities. The delisting took effect on 10 January 2022.