

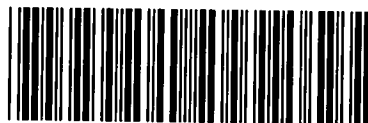
Company Registration No. 09859599

LIVERPOOL AIRPORT PROPERTY HOLDINGS  
LIMITED

ANNUAL REPORT AND FINANCIAL  
STATEMENTS

YEAR ENDED 31 MARCH 2019

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## Directors, Principal Professional Advisers and Registered Office

**Directors:** Steven Underwood, A.C.A.  
Neil Lees, A.C.I.S.  
James Noakes  
Wendy Simon  
Darran Lawless

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**Secretary:** Neil Lees, A.C.I.S.

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**Registered Office  
and Head Office:** Peel Dome  
Intu Trafford Centre  
Traffordcity  
Manchester  
M17 8PL  
United Kingdom

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**Registered Number:** 09859599

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**Auditor:** Deloitte LLP  
Statutory Auditor  
Manchester  
United Kingdom

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**Bankers:** Royal Bank of Scotland plc

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**Property Valuers:** Jones Lang LaSalle

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## Report of the Directors *for the year ended 31 March 2019*

The directors submit their annual report together with the audited financial statements of the group for the year ended 31 March 2019.

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

### **Principal activities**

The principal activities of the group is that of the provision of property investment and development.

### **Going concern**

At 31 March 2019 the group is in a net current liability position. However, after making enquiries, along with the confirmation from joint owners Peel Holdings Land and Property (UK) Limited and Liverpool City Council that they will continue to provide the necessary level of support to enable it to continue to operate for the foreseeable future, the directors have concluded, after making enquiries, they have a reasonable expectation that the company and the group has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis in preparing the financial statements.

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

### **Directors**

The directors who have held office during the financial year and thereafter are:

Steven Underwood, A.C.A  
Neil Lees, A.C.I.S (resigned and appointed 4 June 2018)  
James Noakes (appointed 6 June 2018)  
Wendy Simon (appointed 6 June 2018)  
Darran Lawless (appointed 4 June 2018)  
Ann-Marie L. O' Byrne (resigned 6 June 2018)  
Nicholas Small (resigned 6 June 2018)

### **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.

### **Directors' responsibilities statement**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Report of the Directors *for the year ended 31 March 2019 continued*

### **Auditor and the disclosure of information to the auditor**

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

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

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

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

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

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



**Neil Lees, A.C.I.S.**

*Director*

27 September 2019

# Independent Auditor's Report to the member of Liverpool Airport Property Holdings Limited

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements Liverpool Airport Property Holdings Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of which comprise:

- the Group Profit and Loss account;
- the Group and Parent Company Balance Sheets; and
- the related notes 1 to 14.

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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

## Independent Auditor's Report to the member of Liverpool Airport Property Holdings Limited *continued*

### **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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the directors 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 report of the directors.

#### **Matters on which we are required to report by exception**

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

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

We have nothing to report in respect of these matters.

## Independent Auditor's Report to the member of Liverpool Airport Property Holdings Limited *continued*

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Benson BSc ACA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Manchester, United Kingdom

27 September 2019



Group Profit and Loss Account *for the year ended 31 March 2019*

	Note	2019 £'000	2018 £'000
<b>Turnover</b>		1,440	1,450
<b>Operating profit</b>		1,308	4,499
Net interest payable and similar expenses		(581)	(570)
<b>Profit before taxation</b>		727	3,929
Tax on profit	2	(151)	(243)
<b>Profit for the financial year</b>		576	3,686

All the above results derive from continuing operations.

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

Group and Parent Company Balance Sheets *as at 31 March 2019*

		Group	Group	Parent Company	Parent Company
		2019	2018	2019	2018
	Note	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investment properties	5	16,600	16,600	-	-
Investments	6	-	-	3,196	3,196
		16,600	16,600	3,196	3,196
<b>Current assets</b>					
Debtors	7	268	247	5	2
Cash at bank and in hand		575	1,139	1	-
		843	1,386	6	2
<b>Creditors: amounts falling due within one year</b>	8	(954)	(992)	(43)	(20)
<b>Net current (liabilities)/assets</b>		(111)	394	(37)	(18)
<b>Total assets less current liabilities</b>		16,489	16,994	3,159	3,178
<b>Creditors: amounts falling due after more than one year</b>	9	(9,144)	(9,725)	-	-
<b>Provisions for liabilities</b>	10	(132)	(132)	-	-
<b>Net assets</b>		7,213	7,137	3,159	3,178
<b>Capital and reserves</b>					
Called up share capital	12	2,135	2,135	2,135	2,135
Share premium account		-	1,061	-	1,061
Profit and loss account		5,078	3,941	1,024	(18)
<b>Shareholder's funds</b>		7,213	7,137	3,159	3,178

The loss for the financial year dealt with in the financial statements of the parent company was £481,000 (2018: £9,000).

The group's financial statements have been prepared in accordance with the provisions applicable to the small companies regime.

The financial statements for Liverpool Airport Property Holdings Limited, company number 09859599, were approved by the directors and authorised for issue on 27 September 2019.



Neil Lees A.C.I.S.

Director

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

## Notes to the Financial Statements *continued*

### **1. Accounting policies**

The principal accounting policies are summarised below. The policies have been applied consistently throughout the year and the preceding period. The principal activities and operations of the group and its subsidiaries are set out in the report of the directors on pages 3 to 4.

#### **Company information**

Liverpool Airport Property Holdings Limited is a private company limited by shares and incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales with the company registration number 09859599. The registered office is Peel Dome, Intu Trafford Centre, Traffordcity, Manchester, M17 8PL, United Kingdom.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, fair value of swaps and investments, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council, other than in respect of group reconstruction accounting in the circumstances referred to below.

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

#### **Going concern**

In considering the going concern of Liverpool Airport Property Holdings Limited, in the context of the uncertainties it faces as a result of the current economic climate, the directors have obtained an understanding of the entity's forecasts, the continuing availability of its facilities and its strategic and contingent plans.

Taking all these factors into account, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the annual report and financial statements.

#### **Group financial statements**

The group financial statements consolidate the financial statements of the holding company and its subsidiary undertakings made up to 31 March each year from the date of acquisition.

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

The separable net assets of subsidiary undertakings acquired are included in the group financial statements at their fair value to the group at the date of acquisition including provisions and liabilities taken into consideration in assessing the fair value of the business acquired.

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

#### **Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

Properties in the course of development or practically completed but not substantially let are included in the balance sheet at cost subject to provisions if the directors consider it prudent having regard to the prevailing market conditions. Cost includes interest and directly attributable overheads whilst the property is in the course of development.

Investment property sales are recognised upon unconditional exchange.

## Notes to the Financial Statements *continued*

### 1. Accounting policies *continued*

#### **Fixed asset investments**

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

#### **Equity instruments**

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

#### **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.

#### **Turnover**

Property rental income from investment property and the appropriate allocation of rental premiums are accounted for on an accruals basis and are recognised on a straight-line basis over the lease term. Total turnover of the group has been derived from its principal activity wholly undertaken in the UK.

Trading property sales are accounted for on a legal completion basis.

Turnover excludes sales related taxes.

Notes to the Financial Statements *continued***1. Accounting policies *continued*****Leased assets – group as lessor**

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**Bank borrowings**

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

**Financial instruments****(i) Financial assets and financial liabilities**

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

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

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

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

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

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

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

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

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which 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 significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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

Notes to the Financial Statements *continued***1. Accounting policies** *continued***Financial instruments** *continued***(ii) 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.

**2. Tax on profit**

	<b>Group</b>	<b>Group</b>
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Current tax:		
UK corporation tax	138	129
	138	129
Adjustments in respect of prior years	13	(18)
Total current tax charge	151	111
Deferred tax:		
Origination and reversal of timing differences	-	132
Total deferred tax charge (note 10)	-	132
Total tax charge	151	243
Reconciliation of current tax credit:		
Tax on profit at standard UK corporation tax rate of 19% (2018: 19%)	138	747
Unrecognised movement on deferred tax in relation to investment property	-	(471)
Prior period adjustments	13	(18)
Difference in tax rate on current year deferred tax	-	(15)
Total current tax charge	151	243

The standard rate of tax applied to the reported profits is 19% (2018: 19%).

**3. Particulars of staff**

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

Notes to the Financial Statements *continued***4. Dividends**

	Group	Parent	Parent	Group
	2019	2019	2018	2018
	£'000	£'000	£'000	£'000
Final dividend paid	500	500	-	-

**5. Investment properties**

	Group
	Long Leasehold
	2019
	£'000
<b>Cost:</b>	
At 1 April 2018 and at 31 March 2019	16,600

The historical cost to the group of all investment properties is £13,350,000 (2018: £13,350,000).

100% of the investment property portfolio was professionally valued by Jones Lang LaSalle Limited during December 2018.

With regards to the valuation as at 31 March 2019, this was performed by a RICS qualified group employee and has been valued with reference to the December 2018 Jones Lang LaSalle reports, reporting no change in value during the intervening period.

The valuations were undertaken in accordance with "Red Book Principles" and were conducted on the basis of Market Value. The investment properties are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to current and, if any, reversionary income streams. The capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuers' professional judgement and market observation. All of the valuers hold professional qualifications and have many years of relevant experience in valuing these types of assets.

Property rental income earned in the year was £1,440,000 (2018: £1,407,000).

There are no contractual obligations for repairs and maintenance or health and safety.

**6. Investments**

	Parent Company
	£'000
<b>Shares in subsidiary undertakings:</b>	
Cost and net book value at 31 March 2018 and at 31 March 2019	3,196

**Subsidiary undertakings**

The subsidiary undertakings consolidated as at 31 March 2019, all of which were wholly owned ordinary shares, unless otherwise stated, were as follows:

Incorporated	Company	Group Shareholding	Principal activities
England & Wales	Liverpool Airports Property Intermediate Limited	100%	Holding company
England & Wales	Liverpool Airports Property Limited	100%	Property investment
England & Wales	Liverpool Airport Hotel Limited	100%	Property management

All the subsidiaries above incorporated in England and Wales have the registered office Peel Dome, Intu Tafford Centre, Traffordcity, Manchester, M17 8PL.

Notes to the Financial Statements *continued***7. Debtors**

	Group	Group	Parent Company	Parent Company
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade debtors	-	7	-	-
Amounts owed by group undertakings	-	5	5	2
Amounts owed by related parties	268	232	-	-
Prepayments and accrued income	-	3	-	-
	268	247	5	2

Amounts owed from group companies do not carry interest and are repayable on demand.

**8. Creditors:** amounts falling due within one year

	Group	Group	Parent Company	Parent Company
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Secured bank loans	200	200	-	-
Amounts owed to related parties	254	263	19	20
Other creditors	47	57	-	-
Corporation tax payable	138	178	-	-
Accruals and deferred income	315	294	24	-
	954	992	43	20

Amounts owed to group companies do not carry interest and are repayable on demand.



Notes to the Financial Statements *continued***9. Creditors:** amounts falling due after more than one year

	Group	Group	Parent Company	Parent Company
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Secured bank loans	6,474	7,055	-	-
Loans from parent companies	2,670	2,670	-	-
	9,144	9,725	-	-

The secured bank loan is secured by a fixed legal charge on the group's investment property. It is repayable in 2020 and bears interest at 3.57%.

On the 14 June 2019 the bank loan was refinanced to £9,995,000. It is repayable in June 2024 and bears interest at 3.57%.

Loans from parent companies are 50% with each ultimate parent company. Interest is payable at a rate of LIBOR plus margin of 10%. The loans are repayable in full in December 2020.

**Repayment of gross debt**

	Group	Group
	2019	2018
	£'000	£'000
<b>Bank loans</b>		
Within 1 year	200	200
1-2 years	6,474	200
2-5 years	-	6,855
	6,674	7,255

**Amounts owed by group undertakings**

Within 1 year	255	263
	255	263

**Loans from parent companies**

Within 1 year	47	57
In 1-2 years	2,670	-
In 2-5 years	-	2,670
	2,717	2,727

Notes to the Financial Statements *continued***10. Provisions for liabilities**

	<b>Group</b> <b>£'000</b>
<b>Deferred taxation</b>	
At 1 April 2018 and at 31 March 2019	132

Provision is made for deferred taxation at a rate of 17% (2018: 17%), the amount provided being:

	<b>Group</b> <b>2019</b> <b>£'000</b>	<b>Group</b> <b>2018</b> <b>£'000</b>
Revalued investment property	132	132

There are unrecognised losses of £nil (2018: £nil).

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

During the year commencing 1 April 2019 the net reversal of deferred tax liabilities is not expected to decrease the corporation tax charge for the year.

**11. Operating lease receivables**

Total minimum lease payments under non-cancellable operating leases are as follows:

	<b>Group</b> <b>2019</b> <b>£'000</b>	<b>Group</b> <b>2018</b> <b>£'000</b>
Within one year	1,174	1,174
Between two and five years	4,697	4,697
In over five years	57,113	58,291
	62,984	64,162

**12. Called up share capital and reserves**

	<b>Parent Company and Group</b>	
<b>Allotted and fully paid</b>		
<b>Equity share capital</b>	<b>Number</b>	<b>£'000</b>
Ordinary A shares of £1 each:	1,601,634	1,602
Ordinary B shares of £1 each:	533,800	533
At 1 April 2018 and 31 March 2019	2,135,434	2,135

The holders of the A shares are entitled to 50.1% of Liverpool Airports Property Holdings Limited's distributable profits and to 50.1% of Liverpool Airports Property Holding Limited's assets on winding up. The holders of the B shares are entitled to 49.9% of Liverpool Airports Property Holdings Limited's distributable profits and to 49.9% of Liverpool Airports Property Holdings Limited's assets on winding up.

On the 6 March 2019 a special resolution was passed so that the share premium of the company could be cancelled.

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties and investments.

## Notes to the Financial Statements *continued*

### **13. Related parties**

During the year to 31 March 2019, companies within Liverpool Airports Property Holdings Limited group have made sales to fellow subsidiary Peel Leisure Operations No1 Limited. The rent in the year totalled £925,000 (2018: £892,000) and the amount outstanding as at 31 March 2019 was £268,000 (2018: £232,000).

During the year to 31 March 2019, the company was charged management fees by a fellow subsidiary of one of the joint venture parents Peel Holdings Land and Property (UK) Limited of £72,670 (2018: £55,718) and the amount outstanding as at 31 March 2019 was £21,000 (2018: £nil).

During the year to 31 March 2019, the company was charged rent and service charge fees by a fellow subsidiary of one of the joint venture parents Peel Holdings Land and Property (UK) Limited of £691,000 (2018: £691,000) and the amount outstanding as at 31 March 2019 was £174,000 (2018: £192,000).

At the year end £59,000 is owed to the ultimate parent companies in relation to loan interest (2018: £71,000).

### **14. Ultimate holding company**

In the opinion of the directors there is no ultimate controlling party as the company is owned jointly by Peel Holdings Land and Property (UK) Limited and Liverpool City Council.

The largest and smallest group of companies of which the company is a member, that produces consolidated accounts, is Liverpool Airport Property Holdings Limited a company incorporated in England and Wales. Its group financial statements are available from the Company Secretary at its registered office, Peel Dome, Intu Trafford Centre, Traffordcity, Manchester, M17 8PL.