

Registration number: 2280048

Castlefield Properties Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2018



Castlefield Properties Limited

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Castlefield Properties Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their report and the unaudited financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of Castlefield Properties Limited ("the Company") is the holding of land for capital appreciation.

Directors of the Company

The Directors, who held office during the year, were as follows:

Helen Tautz (resigned on 11 April 2019)

Andrew Garard (resigned on 31 July 2018)

Ian Jones

Sharjeel Suleman

Directors' liabilities

The Directors benefit from third party insurance provisions in place during the financial year and at the date of this report.

Dividends

The Directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2018 (2017: £Nil).

Business review

The results for the Company show a profit for the year of £11,131,000 (2017: loss of £58,000). At the statement of financial position date the Company had net assets of £22,478,000 (2017: £11,347,000).

The increase in profit was as a result of the sale of the remaining investment property held.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements (see note 1).

Audit exemption

Castlefield Properties Limited, as a guaranteed subsidiary of ITV plc, has met the criteria set out in ss.479A-479C of the Companies Act 2006, and is claiming exemption from the audit of their individual accounts afforded by those sections for the year ended 31 December 2018.

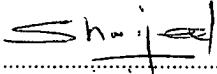
Castlefield Properties Limited

Directors' Report for the Year Ended 31 December 2018

Small companies' provision statement

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

Approved by the Board on 27/9/2019 and signed on its behalf by:


.....
S SULEMAN
Director

Registered office
2 Waterhouse Square
140 Holborn
London
EC1N 2AE

Castlefield Properties Limited

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' 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 Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Castlefield Properties Limited

Income Statement for the Year Ended 31 December 2018

	Note	2018 £ 000	2017 £ 000
Administrative expenses		<u>(15)</u>	<u>-</u>
Operating loss	3	(15)	-
Gain on disposal of investment property	7	<u>11,192</u>	<u>-</u>
Profit before tax		11,177	-
Taxation	6	<u>(46)</u>	<u>(58)</u>
Profit/(loss) for the year		<u>11,131</u>	<u>(58)</u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the above.

Castlefield Properties Limited
(Registration number: 2280048)
Statement of Financial Position as at 31 December 2018

	Note	2018 £ 000	2017 £ 000
Non-current assets			
Investment property	7	-	1,808
Deferred tax assets	6	216	262
		<u>216</u>	<u>2,070</u>
Current assets			
Trade and other receivables	8	22,777	9,851
Current liabilities			
Trade and other payables	9	(515)	(574)
Net current assets		<u>22,262</u>	<u>9,277</u>
Net assets		<u>22,478</u>	<u>11,347</u>
Capital and reserves			
Share capital	10	-	-
Other reserves		2,303	2,303
Retained earnings		20,175	9,044
		<u>22,478</u>	<u>11,347</u>

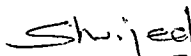
These accounts have been prepared in accordance with the provisions available to companies entitled to the small companies regime.

For the financial year ending 31 December 2018 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.

Approved by the Board on 27/9/2019 and signed on its behalf by:


 S. SULEMAN
 Director

Castlefield Properties Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2018	-	2,303	9,044	11,347
Profit for the year	-	-	11,131	11,131
At 31 December 2018	-	2,303	20,175	22,478

	Share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2017	-	2,303	9,102	11,405
Loss for the year	-	-	(58)	(58)
At 31 December 2017	-	2,303	9,044	11,347

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies

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

Castlefield Properties Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 2280048 and the registered address is ITV plc, 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and FRS 101 (2015/16) issued in July 2016 have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company is a qualifying entity as it is a member of the ITV plc Group where ITV plc, the ultimate parent prepares publicly available consolidated financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Summary of disclosure exemptions

The Company is taking advantage of the following disclosure exemptions under FRS 101:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company;
- Disclosures in respect of goodwill or intangibles with an indefinite life; and
- Disclosures in respect of revenue being the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from contracts with customers.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

As the consolidated financial statements of ITV plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to apply the reduced disclosure framework of FRS 101 in its next financial statements.

Changes in accounting policy

New standards, interpretations and amendments effective

The following have been applied for the first time from 1 January 2018.

New or amended EU endorsed accounting standards

The Company has adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers' from 1 January 2018. Neither standard has had an impact on the Company's financial statements.

None of the other standards, interpretations and amendments effective for the first time from 1 January 2018 have had a material effect on the financial statements.

Going Concern

The Company does not have a bank account and therefore cash receipts and payments are accounted for on the Company's behalf by fellow subsidiaries and are reflected in the movement in amounts owed to / from group undertakings. The Company is dependent on its immediate parent undertaking for its funding. The Directors of the Company have no reason to believe that this financial support will not be forthcoming in the event that it is required. On this basis, and on their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least twelve months from the date of this report. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Amounts due (to) / from group undertakings

The Company participates in an intra-group cash pool policy with other 100% owned UK subsidiaries of the ITV Group. The pool applies to bank accounts where there is an unconditional right of set off and involves the daily closing cash position for participating subsidiaries whether positive or negative, being cleared to £nil via daily bank transfers to/from ITV plc. These daily transactions create a corresponding intercompany creditor or debtor which can result in significant movements in amounts owed to and from subsidiary undertakings in the Company statement of financial position.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

Investment property

Certain of the Company's properties are held as investment properties for long-term rental yields.

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Tax

The tax charge for the period is recognised in the income statement, the statement of comprehensive income and directly in equity, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. The calculation of the Company's tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be fully determined until a resolution has been reached by the relevant tax authority.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Company recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax arises due to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes. The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is calculated using tax rates that are enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets, therefore, involves judgement regarding the timing and level of future taxable income.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is neutral, the initial measurement is on a present value basis.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. For the current year, there were no significant judgements that require disclosure.

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

3 Operating loss

Arrived at after charging/(crediting)

	2018 £ 000	2017 £ 000
Write off of amounts due to group undertakings	15	-

4 Staff costs

There were no employees and hence no staff costs during the year (2017: £Nil).

5 Directors' remuneration

The Directors were remunerated by other ITV plc Group companies. The Directors received no remuneration in respect of their qualifying services to the Company (2017: £Nil).

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

6 Taxation

Tax charged/(credited) in the income statement

	2018 £ 000	2017 £ 000
Current taxation		
UK corporation tax	-	-
Total current income tax	-	-
Deferred taxation		
Arising from origination and reversal of temporary differences	46	58
Tax expense in the income statement	46	58

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017: higher than the standard rate of corporation tax in the UK) of 19% (2017: 19.25%).

The differences are reconciled below:

	2018 £ 000	2017 £ 000
Profit before tax	11,177	-
Corporation tax at standard rate of 19% (2017: 19.25%)	2,124	-
Income not taxable for tax purposes	(2,129)	-
Expenses not deductible for tax purposes	3	-
Group relief surrendered	53	66
Deferred tax expense / (credit) relating to changes in tax rates or laws	(5)	(8)
Total tax charge	46	58

The Finance Act 2016, which was substantively enacted on 6 September 2016, provides for a reduction in the main rate of corporation tax to 17% from 1 April 2020 (this supersedes the reduction to 18% which was provided for in the Finance Act 2015). These rate reductions have been reflected in the calculation of deferred tax at the statement of financial position date.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

6 Taxation (continued)

Deferred tax

Deferred tax assets and liabilities

	Asset £ 000
2018	
Accelerated tax depreciation	<u>216</u>
2017	Asset £ 000
Accelerated tax depreciation	<u>261</u>

Deferred tax movement during the year:

	At 1 January 2018 £ 000	Recognised in income £ 000	At 31 December 2018 £ 000
Accelerated tax depreciation	<u>261</u>	<u>(46)</u>	<u>216</u>

Deferred tax movement during the prior year:

	At 1 January 2017 £ 000	Recognised in income £ 000	At 31 December 2017 £ 000
Accelerated tax depreciation	<u>320</u>	<u>(58)</u>	<u>261</u>

7 Investment properties

	31 December 2018 £ 000
Cost	
At 1 January 2018	1,808
Disposals	<u>(1,808)</u>
At 31 December 2018	<u>-</u>

On 19 September 2018 the investment property held by the Company with book value of £1,808,000 was sold for £13,000,000 leading to profit on disposal of £11,192,000.

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

8 Trade and other receivables

	2018	2017
	£ 000	£ 000
Amounts due from group undertakings	<u>22,777</u>	<u>9,851</u>

Included in amounts due from group undertakings is an amount of £22,777,000 (2017: £9,851,000) which represents intercompany trading, has no associated interest and is repayable on demand.

We have applied the expected loss model and the impact was not material.

The carrying value of trade and other receivables is considered to approximate fair value.

9 Trade and other payables

	2018	2017
	£ 000	£ 000
Amounts due to group undertakings	<u>515</u>	<u>574</u>

Included in amounts due to group undertakings is an amount of £515,000 (2017: £574,000) which represents intercompany trading, has no associated interest and is repayable on demand.

The carrying value of trade payables is considered to approximate fair value.

10 Share capital

Allotted, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary A shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

11 Contingent liabilities

Under a Group registration the Company is jointly and severally liable for the VAT at 31 December 2018 of £39 million (2017: £45 million).

Castlefield Properties Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

12 Parent of group in whose consolidated financial statements the Company is consolidated

The name of the parent of the group in whose consolidated financial statements the Company's financial statements are consolidated is ITV plc.

These financial statements are available upon request from 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

13 Parent and ultimate parent undertaking

The Company's immediate parent is ITV Services Limited.

The ultimate parent is ITV plc. ITV plc is incorporated in the UK.

The most senior parent entity producing publicly available financial statements is ITV plc. These financial statements are available upon request from 2 Waterhouse Square, 140 Holborn, London, EC1N 2AE.

The ultimate controlling party is ITV plc.