

Registration number: 184594

**Daily Mail and General Trust plc**  
**(“DMGT”)**

Annual Report and Consolidated Financial Statements

for the year ended 30 September 2022

# Daily Mail and General Trust plc

## Contents

<b>Section</b>	<b>Page number</b>
Company Information	2
Strategic Report	3-17
Directors' Report	18-25
Notes to the Strategic Report and Directors' Report	26-31
Independent Auditors' Report	32-42
Consolidated Income Statement	43
Consolidated Statement of Comprehensive Income	44
Consolidated Statement of Changes in Equity	45
Consolidated Statement of Financial Position	46-47
Consolidated Cash Flow Statement	48
Notes to the Accounts	49-134
Unaudited Five Year Financial Summary	135-136
Company Statement of Financial Position	137
Company Statement of Changes in Equity	138
Notes to the Company Statement of Financial Performance	139-147

# **Daily Mail and General Trust plc**

## **Company Information**

Chairman	The Viscount Rothermere
Directors	K J Beatty T G Collier A H Lane D H Nelson K A H Parry OBE JP Rangaswami F Wallestam
Company Secretary	F L Sallas
Registered office	Northcliffe House 2 Derry Street London W8 5TT
England Registered Number	184594
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

## Strategic Report

The directors present their strategic report, the report of the directors and the audited financial statements for the Group, comprising the Daily Mail and General Trust plc ('the Company') and its subsidiaries ('the Group'), for the year ended 30 September 2022 ('FY 2022').

### Principal activities and business review

Daily Mail and General Trust plc ('DMGT') manages a portfolio of companies that provide businesses and consumers with compelling information, analysis, insight, events, news and entertainment. The Group takes a long-term approach to investment and has market-leading positions in consumer media, property information and events & exhibitions. As well as a diverse portfolio of operating companies, DMGT holds minority stakes in early-stage businesses.

Further information on the activities of the Group can be found on the DMGT website: [www.dmgmt.com](http://www.dmgmt.com).

During FY 2022, there was some recovery in the events market and commuter volumes, which benefitted DMGT's Events & Exhibitions and Metro businesses, both of which had been particularly impacted by the Covid-19 pandemic. Landmark, the UK Property Information business, was adversely affected by a reduction in residential property transaction volumes, following a particularly active market in the prior year. Circulation volumes of the paid-for Mail and 'i' newspapers continued to decrease, as expected, and digital advertising yields were adversely affected by the war in Ukraine.

The financial performance of each of the Group's businesses also reflects increased costs as well as organic investment. Cost inflation had a particularly large impact on the Consumer Media business due to higher commodity prices, notably for newsprint and energy, driven by the war, and its profitability was directly affected due to the limited ability to increase the prices of its products and services.

Further information on the financial performance of the different businesses during the year can be found in the 'Operating and financial review' section of this Strategic Report.

	Statutory <sup>1</sup> results			Adjusted <sup>2</sup> results (from continuing and discontinued <sup>1</sup> operations)		
	Full Year	Full Year	Growth~	Full Year	Full Year	Growth~*
	2022	2021		2022	2021*	
	£m	£m		£m	£m	
Revenue	974	885	+10%	974	1,142	-15%
Operating (loss)/profit	(87)	(6)	15x	59	106	-45%
(Loss)/profit before tax	(60)	(2)	25x	39	88	-55%
(Loss)/profit after tax	(134)	1,540**	-109%	30	71	-58%

For more information about adjusted results and reconciliations to statutory results, please see pages 27 to 30 in the 'Notes to the Strategic Report and Directors' Report' section and Note 13 of the Notes to the Accounts.

\* Full Year 2021 adjusted results include discontinued operations, namely Hobsons, the EdTech business which was disposed of in March 2021, and the Insurance Risk business, RMS, which was disposed of in September 2021.

\*\* Full Year 2021 statutory profit after tax includes discontinued operations, notably the gain on both disposals.

Group statutory<sup>1</sup> revenues were £974m, an increase of £89m, 10%. Growth in Events & Exhibitions of £65m and Consumer Media of £34m was partially offset, as expected, by a £10m decrease in Property Information due to reduced UK residential property transaction volumes. Group adjusted<sup>2</sup> revenues decreased by 15%. This was due to the disposal in the prior year of RMS, the Insurance Risk business, and Hobsons, the EdTech business, which collectively accounted for 22% of FY 2021 adjusted revenues.

Group adjusted operating profit was £59m, a decrease of 45%. For more information about adjusted results and the reconciliation to statutory results, please see pages 27 to 30 and Note 13 of the Notes to the Accounts. The reduction in adjusted operating profit was primarily due to the disposal of RMS and Hobsons in the prior year. It was also due to the impact of cost inflation, particularly for Consumer Media, and planned organic investment as well as weaker UK Property Information revenues. The prior year benefitted from £15m of insurance cover for cancelled or postponed events, compared to £3m in FY 2022. The statutory operating loss was £87m, compared to £6m in FY 2021, including £80m of exceptional operating costs. Exceptional operating costs included non-cash LTIP charges, as share-based schemes were closed due to Rothermere Continuation Limited ('RCL') taking full ownership of DMGT's shares, as well as severance costs.

Group adjusted profit before tax ('PBT') was £39m and included £6m of adjusted losses from JVs and associates and £14m of adjusted net finance costs. The statutory loss before tax was £60m, compared to £2m in FY 2021.

Group adjusted profit after tax was £30m, compared to £71m in FY 2021, and the adjusted tax rate was 25%, up from 20% in the prior year, largely due to a substantial reduction in the Group's adjusted PBT. The statutory loss for the year was £134m compared to a profit of £1,540m in FY 2021 as the prior year benefitted from gains on the disposal of RMS and Hobsons.

In December 2021, a recommended offer from RCL at £2.70 per share became unconditional, resulting in 100% ownership of DMGT by RCL. Also in December 2021, a special dividend was declared with the cash element of £5.68 per share, £1,310m cash, being paid that month. The share element of the special dividend was comprised of DMGT's holding in Cazoo Group Ltd ('Cazoo') and was settled in June 2022. Further information can be found in the 'Ownership' section of the Directors' Report.

DMGT's pro forma net debt<sup>3</sup> was £153m as at 30 September 2022, compared to pro forma net cash of £1,542m at the start of the year. Major payments during the year included £1,310m for the cash element of the special dividend and £413m into the Group's defined benefit pension schemes. The pro forma net debt:EBITDA ratio was 2.0 at the year end. The Group's committed bank facilities, which mature in May 2026, were £209m and were undrawn.

## **Strategy and outlook**

### **Strategy**

Since its formation, DMGT has consistently taken a long-term approach to value creation, benefitting from being a family-controlled company. The Group's longevity is testament to its focus on nurturing the expertise, entrepreneurship and passion of its employees; developing deep relationships with its stakeholders, particularly customers; and investing organically in technology and innovation.

DMGT has successfully executed its strategy, developed in 2016 to deliver the Group's potential. Substantial value was created through the pursuit of three key strategic priorities: improving operational execution; increasing portfolio focus; and maintaining financial flexibility. As a result, DMGT is now a significantly more focussed portfolio, comprised of market-leading businesses operating in three sectors rather than ten.

Going forward, DMGT will continue to adopt a long-term approach to value creation, nurturing talent, developing customer relationships and investing organically. The strategic priorities have, however, evolved to reflect the current shape of the portfolio and the Group's net debt position following the distribution of cash to shareholders and funding of the pension schemes. There will be a continued focus on improving operational execution, aiming to increase efficiencies and the agility of the Group's businesses as they deliver and develop excellent products and services. The Group will also seek to enhance financial flexibility, reducing net debt over time and increasing DMGT's ability to pursue a range of capital allocation priorities as they arise.

## Outlook

The conditions in the Consumer Media market are expected to remain challenging in respect of both revenues and costs. Revenues will reflect circulation volumes of the paid-for newspapers, which are expected to continue to decline, and the advertising market, which is expected to remain both challenging and volatile until economic confidence returns. The financial performance of the Property Information business is expected to continue to be affected by UK property transaction volumes, notably in the residential market, as well as by subscription revenues in the US, where the revenue outlook for FY 2023 is more encouraging. All three of the Events & Exhibitions business's major shows are currently scheduled to be held in FY 2023, although there will no longer be a benefit from insurance cover for communicable diseases, which ended in September 2022. Cost inflation is expected to adversely affect the profitability of each of the Group's businesses and increasing newsprint costs are expected to have a substantial impact on the profitability of the Consumer Media business.

## Operating and financial review

### Consumer Media

	Full Year 2022 £m	Full Year 2021 £m	Growth~
Revenue	658	624	+5%
Statutory <sup>1</sup> operating profit	15	53	-72%
Adjusted <sup>2</sup> operating profit	52	60	-13%
Statutory <sup>1</sup> operating margin	2%	8%	
Adjusted <sup>2</sup> operating margin	8%	10%	

Consumer Media revenues grew 5%, including growth from Metro which has benefitted from some recovery in commuter volumes. Revenue growth was also due to an extra week's trading, as FY 2022 was a 53-week year for Consumer Media, as well as the inclusion of a full year's trading for the New Scientist, compared to seven months in FY 2021. Circulation volumes of the paid-for Mail and 'i' newspapers continued to decrease, as expected. The advertising market remains volatile and digital advertising yields have been adversely affected by the war in Ukraine. In addition, UK consumers' disposal income decreased during the year as the cost of living increased, resulting in reduced demand from customers for advertising in Consumer Media's products.

There have been substantial increases in the cost of newsprint and production, notably energy costs which have also been impacted by the war, as well as distribution. This increased cost pressure has adversely affected the profitability of the newspapers in particular and Consumer Media as a whole.

### Business to Business (B2B) Property Information

	Full Year 2022 £m	Full Year 2021 £m	Growth~
Revenue	217	227	-4%
Statutory <sup>1</sup> operating profit	27	37	-28%
Adjusted <sup>2</sup> operating profit	33	44	-25%
Statutory <sup>1</sup> operating margin	12%	16%	
Adjusted <sup>2</sup> operating margin	15%	19%	

Following the disposal of DMGT's Insurance Risk and EdTech businesses, RMS and Hobsons, in the prior year, Property Information is the Group's only remaining B2B Information Services sector. The Property Information portfolio is comprised of two businesses: Landmark Information Group (Landmark), which operates in the UK, and Trepp in the US.

The majority of Landmark's revenues are generated from volume-related transactions, underpinned by a predictable minimum base level. In the prior year, Landmark benefitted from particularly high transaction volumes in the UK residential property market due to reductions in stamp duty, introduced in July 2020, and pent-up demand following the first UK lockdown. Stamp duty was increased at the end of June and September 2021 and, as expected, this has had an adverse impact on transaction volumes and Landmark's revenues. The decrease in Landmark's revenues was partially offset by continued growth from Trepp, which continues to make good progress. Property Information's revenue growth benefitted from the stronger US dollar but was adversely affected by the disposal in April 2021 of Landmark's operations in the Republic of Ireland.

There was substantial organic investment in technology and product development at Landmark and Trepp during the period to support both businesses' growth strategies. Landmark continued to gain market share in a more challenging market. The decrease in Property Information's operating profit was primarily due to the reduction in Landmark's revenues but also reflected increased investment in Landmark and the adverse impact on costs of increased inflation.

#### **Business to Business (B2B) Events & Exhibitions**

	<b>Full Year 2022 £m</b>	Full Year 2021 £m	Growth~
Revenue	<b>100</b>	34	+189%
Statutory <sup>1</sup> operating profit/(loss)	<b>8</b>	(17)	N/A
Adjusted <sup>2</sup> operating profit	<b>9</b>	-	N/A
Statutory <sup>1</sup> operating margin	<b>8%</b>	-49%	
Adjusted <sup>2</sup> operating margin	<b>9%</b>	1%	

The business's largest event, ADIPEC the Abu Dhabi based energy show, was held in November 2021 and delivered a pleasing performance and very strong growth compared to the prior year when it was only a virtual event. Gastech was held in Milan in September 2022 and also delivered strong growth, with revenues exceeding pre-pandemic levels. As expected, Big 5 Dubai, the other of the three major events, did not occur during FY 2022 as it is scheduled to be held in December 2022.

The financial performance in the year included the benefit of £3m of insurance cover for the impact of the Covid-19 pandemic, although this was a significant reduction on the £15m of insurance cover recognised in the prior year. Despite the significant reduction in the benefit from insurance, there was £9m growth in adjusted operating profit.

#### **Corporate costs**

Corporate statutory operating costs were £92m, compared to £69m in the prior year. Excluding exceptional operating costs, Corporate adjusted operating costs were £35m, a decrease of 9% compared to £38m in FY 2021.

#### **Joint ventures, associates and dmg ventures**

DMGT holds minority stakes in early-stage businesses, primarily through its dmg ventures arm. The Group's net share of adjusted operating losses from its joint ventures and associates was £6m in the year, compared to £3m in FY 2021. On a statutory basis, the share of results of joint ventures and associates, including impairment charges of £39m, interest costs and tax, was a loss of £45m, compared to a loss of £10m in FY 2021.

DMGT also invests in and develops early-stage businesses in which the Group holds smaller stakes. As the percentage holdings are too small, or DMGT's level of influence insufficient, for the companies to be associates, the Group does not recognise a share of profits or losses from these investments. The most notable investment was Cazoo. DMGT settled the share element of its special dividend in June 2022, distributing its entire stake in Cazoo.

### **Net finance costs**

Adjusted net finance costs, including investment revenue, were £14m, an 8% decrease from £15m in FY 2021, and included £13m of charges on bond debt. On a statutory basis, the Group's total net finance costs, including investment revenue, were £4m, compared to £11m in FY 2021.

The pension finance credit was £12m, reflecting the pension surplus on an accounting basis, and is excluded from adjusted results. There was also a £12m mark-to-market profit on interest rate cap derivatives recognised in the year but excluded from adjusted results.

Early in FY 2022, foreign exchange options were bought to hedge US\$600m of the Group's cash balances into sterling in anticipation of the substantial special dividend that was paid later in the year. Due to the strength of the US dollar, the options were not exercised. The £7m cost of buying the options for this highly unusual special dividend is excluded from the adjusted results.

### **Exceptional items and amortisation**

As explained in more detail on pages 26 to 30 of the 'Notes to the Strategic Report and Directors' Report' section, certain items, including exceptional costs, impairments and some amortisation are excluded from adjusted results.

Exceptional operating costs were £80m in the year, notably for non-cash LTIP charges and severance costs, compared to £33m in the prior year. There were also £11m of exceptional operating costs in respect of discontinued operations. The FY 2022 charge for amortisation of intangible assets arising on business combinations was £11m (FY 2021 £15m). Total impairment charges in the year totalled £9m, compared to £13m in the prior year, including £9m in respect of New Scientist, the Consumer Media business.

The Group recorded other net gains on disposal of businesses and investments of £31m. This compared to a £1,566m total net gain in FY 2021, including the gain on discontinued operations.

### **Taxation**

The adjusted tax charge for the year of £10m (FY 2021 £17m) is stated after adjusting for the effect of exceptional items. The adjusted tax rate increased to 25%, compared to 20% in the prior year, largely due to a substantial reduction in the Group's adjusted PBT, the denominator for the tax rate calculation. Items that increase the rate, such as non-qualifying expenses and losses from associates, remained broadly the same in absolute terms and so increased in significance relative to the reduced adjusted PBT. The statutory tax charge for the year for continuing operations was £86m, including a £30m charge for the derecognition of deferred tax assets in respect of prior year tax losses and a £29m charge in respect of the derecognition of current year tax losses. There was also a statutory tax credit of £20m on discontinued operations.

### **Dividend**

On 14 December 2021, a special dividend was declared to all DMGT shareholders with a record date of 16 December 2021. This followed the offer by RCL, to acquire the DMGT Ordinary A Shares ('A Shares') that it did not own, becoming unconditional. See the 'Ownership' section in the Directors' Report for more information.

The special dividend was comprised of a cash element of £5.68 per share and a share element of approximately 0.5749 shares in Cazoo Group Ltd (Cazoo) per DMGT share. Settlement of the cash element occurred on 30 December 2021 and totalled £1,310m. Settlement of the Cazoo share element occurred on 23 June 2022.

DMGT's dividend policy, of increasing the dividend per share by more than inflation, was withdrawn in November 2021. The total of the interim and proposed final dividends in respect of FY 2022 is 8.85

pence per share which is, as expected, materially lower than the 24.9 pence per share total interim and final dividends paid in respect of FY 2021.

### **Net debt and cash flow**

Pro forma net debt<sup>3</sup> at the end of the year was £153m, compared to £1,542m pro forma net cash at the start of the year. Pro forma net debt as at 30 September 2022 is stated after adjusting to exclude £29m of lease liabilities that are included in net debt in the financial statements following the adoption of IFRS 16, the lease accounting standard. The lease liabilities largely reflect the future operating cost of renting office space and are not considered a component of net debt when the Board reviews the Group's available capital. Also, for bank covenant purposes, net debt is calculated on a pre-IFRS 16 basis, excluding IFRS 16 lease liabilities, consistent with DMGT's pro forma net debt. Consequently, they are excluded from pro forma net debt. The pro forma net debt:EBITDA ratio was 2.0x at the year end, below the requirements of the Group's bank covenants. It compares to a net cash:EBITDA ratio of 11.7x at the FY 2021 year end.

The Group's year end debt included £195m of 6.375% bonds due 2027 and £11m of net debt in respect of derivatives and collateral. The Group's cash, cash equivalents and short-term deposits, net of overdrafts, totalled £52m at the year end. The Group's committed bank facilities, which mature in May 2026, were £209m at the year end and were undrawn.

Major payments during the year included £1,310m for the cash element of the special dividend and £413m into the Group's defined benefit pension schemes. The pension payment included £121m that was held in escrow at the start of the year and which was excluded from pro forma net cash. Other cash outflows included the FY 2021 final and FY 2022 interim dividends, totalling £46m, exceptional operating costs and net interest payments of £24m.

### **Pension schemes**

The Group's defined benefit pension schemes provide retirement benefits for UK staff, largely in Consumer Media. These schemes are closed to new entrants and to the future accrual of benefits for existing members. The winding-up process for one of the schemes is expected to complete in FY 2023, following the merger of two schemes in October 2022, resulting in just two defined benefit pension schemes remaining.

The DMGT Board places the highest importance on ensuring that all pension benefits are fully paid and responsibly funded. The special dividend paid during the year constituted a significant portion of the value of DMGT. Consequently, for the purposes of discussions with the pension schemes' trustees, the pension schemes' surplus calculated on an IAS 19 (Revised) accounting basis was not relevant and the significantly higher funding obligations and solvency protections under UK pension laws and Pensions Regulator guidance were relevant. As a result of these discussions, £413m was paid into the pension schemes during the year, including £121m that was held in escrow for the benefit of the pension schemes at the start of the year. The payment replaced the existing funding plan and no further payments to the pension schemes are currently expected.

### **Key Performance Indicators**

Due to DMGT holding a changing portfolio of different companies, many Key Performance Indicators (KPIs) that are targeted by individual businesses are not appropriate at a consolidated Group level. Examples include customer numbers, revenue per customer, employee productivity and employee engagement. Following RCL acquiring all of the shares that it did not already own and DMGT's delisting, the Group's KPIs have been reduced and 'per share' metrics are no longer included.

DMGT's KPIs are alternative performance measures rather than statutory measures as the APMs are considered by the Board and executive management to be particularly informative. The KPIs are the adjusted revenue growth rate, adjusted operating profit, adjusted profit before tax, adjusted profit after tax and the net debt:EBITDA ratio. Please see the table on page 3 and comments on pages 3 to 7

in respect of the revenue and profit KPIs. Please see the 'Net debt and cash flow' section on page 8 in respect of the net debt:EBITDA ratio.

**Principal risks and uncertainties**

Risks are reviewed on a quarterly basis and the Directors confirm that they have completed an assessment of the Group's principal risks and reviewed the risk management processes. The Group's risks are categorised as either strategic or operational. Strategic risks are linked to the Group's strategic priorities and impact the whole Group. Operational risks are those arising from the execution of the business functions and typically impact one or more of the principal businesses.

Following the introduction of sanctions against Russian entities and individuals, a thorough review of the Group's exposure and processes was performed. Some of the exhibitors and delegates that typically attend events for the energy sector, operated by DMGT's Events & Exhibitions business, are now subject to sanctions. Additional processes have been put in place to mitigate the risk of sanctions being breached.

During the year, progress was made in preparation for reporting on DMGT's climate-related risks, in line with the recommendations of the global Task Force on Climate-Related Financial Disclosures (TCFD). DMGT worked with an environmental consultancy to identify how existing processes, documentation and oversight could be enhanced. Information on the Group's carbon footprint can be found in the 'Energy and Carbon Reporting' section of the Directors' Report. Consistent with UK legislation and TCFD recommendations, DMGT will provide additional disclosures next year, when reporting on FY 2023.

Since last year, 'Financial uncertainty' has been added as a principal strategic risk. Funding a pension scheme deficit is no longer regarded a principal risk, as the schemes are well funded, but the Pensions sub-committee continues to monitor the Group's exposure.

**Strategic risks**

<b>Risk</b>	<b>Mitigation examples</b>
<p><b>Market disruption</b> Failure to anticipate and respond to market disruption may affect demand for DMGT's products and services and its ability to achieve long-term growth.</p>	<ul style="list-style-type: none"> <li>• DMGT's executive management, supported by operating company management teams, monitor markets, the competitive landscape and technological developments. Regular dialogue and in-person meetings ensure proactive, co-ordinated responses.</li> <li>• Analysis of the performance management dashboard for each operating company to highlight and react to early indicators of market disruption.</li> </ul>
<p><b>Success of new product launches and internal investments</b> A lack of innovation or failure to evolve DMGT's products and services successfully may compromise their appeal. Some may fail to achieve customer acceptance and yield expected benefits which could result in lower-than-expected revenue and/or impairment losses.</p>	<ul style="list-style-type: none"> <li>• The culture of the Group encourages an entrepreneurial approach to identifying growth opportunities and new products.</li> <li>• A new innovation or business line is ringfenced, where required, to ensure it receives autonomous execution, dedicated talent, budget and undiluted management focus.</li> <li>• Significant investments are approved by DMGT's Investment &amp; Finance Committee and/or the Board.</li> </ul>

<b>Risk</b>	<b>Mitigation examples</b>
<p><b>Portfolio management</b> The Group's performance could be compromised by portfolio changes not delivering expected benefits, failure to deliver acquisition or operating targets, and/or delay or failure in divesting from non-core businesses at the right time.</p>	<ul style="list-style-type: none"> <li>• DMGT's executive management continue to evaluate the Group's portfolio in order to optimise resource allocation according to portfolio roles, business opportunities and risk-adjusted execution.</li> <li>• Proactive, detailed divestment roadmaps, including seller due diligence and talent incentives/retention.</li> <li>• DMGT executive membership of the boards of associates and investments.</li> </ul>
<p><b>Economic and geopolitical uncertainty</b> Group performance could be adversely impacted by factors beyond its control, such as the economic conditions in key markets and sectors and political uncertainty.</p>	<ul style="list-style-type: none"> <li>• The Group's diverse and balanced portfolio of businesses and products reduces the overall impact of any single trend.</li> <li>• A review of the risk of DMGT breaching sanctions against entities and individuals was performed during the year and additional processes were put in place in the Events &amp; Exhibitions business to address this specific risk.</li> <li>• The Group's portfolio of products and services continues to evolve, adjusting to circumstances, including climate change, as well as reducing reliance on carbon-focused sectors.</li> </ul>
<p><b>Financial uncertainty</b> Group performance, capital availability and/or liquidity could be adversely impacted by significant movements in interest rates, foreign currency exchange rates and/or price levels.</p>	<ul style="list-style-type: none"> <li>• Cash flow and liquidity management scenarios are prepared to monitor and forecast the capital available to the Group, the Group's liquidity and the possible cost of servicing the Group's debt.</li> <li>• Analysis of detailed financial management information for each operating company to highlight and react to early indicators of movements in key financial rates and price levels.</li> <li>• Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates. DMGT does not use derivative instruments other than to hedge and manage risks.</li> </ul>
<p><b>Talent</b> DMGT's ability to identify, attract, retain and develop the right people for senior and business-critical roles could impact the Group's performance.</p>	<ul style="list-style-type: none"> <li>• Local HR specialists focused on recruitment, critical skills planning, identifying and developing internal talent combined with central oversight of reward.</li> <li>• DMGT's executive management works with operating companies' management, advising on critical skills to improve operational and commercial performance, including pricing and packaging strategies, go-to-market and sales execution and business case development and planning.</li> </ul>

## Operational risks

Risk	Mitigation examples
<p><b>Information security breach or cyber attack</b> An information security breach, including a failure to prevent or detect a malicious cyber attack, ransomware event, or failure in data protection, could cause reputational damage and financial loss. The investigation and management of an incident would result in remediation costs and the diversion of management time.</p> <p>A breach of data protection legislation could result in financial penalties for the affected business and potentially the Group.</p>	<ul style="list-style-type: none"> <li>• DMGT's Quarterly Security Forum provides oversight of information security initiatives Group-wide.</li> <li>• The Chief Information Security Officer reviews and recommends actionable roadmaps to improve information security procedures and protections at each operating company and draws upon internal and external experts.</li> <li>• Group Information Security Policy and detailed information security standards with regular reviews reported to the Technology Council. Periodic reviews of the standards themselves are performed to ensure they keep pace with best practice.</li> <li>• Insurance policies have been put in place for all insurable losses.</li> </ul>
<p><b>Business continuity event</b> A disaster or other unexpected event, whether natural or man-made, could cause significant disruption. This could affect DMGT's operating companies, customers, suppliers and/or end-markets.</p>	<ul style="list-style-type: none"> <li>• All operating companies have business continuity plans in place. The successful uninterrupted delivery of products and services over the past few years has demonstrated the effectiveness of these plans.</li> <li>• Technology capabilities continue to be enhanced to increase operating companies' resilience if a business continuity event occurs.</li> <li>• The Group has insurance cover in place to help mitigate the financial impact of business continuity events.</li> <li>• Detailed plans in place for office move scheduled for FY 2023.</li> </ul>
<p><b>Reliance on key third parties</b> Certain third parties are critical to the operations of DMGT's businesses. A failure of one of the critical third parties may cause disruption to business operations, impact the Group's ability to deliver products and services and result in financial loss.</p> <p>The reputation of DMGT's businesses may be damaged by poor performance or a regulatory breach by critical third parties, particularly outsourced service providers.</p>	<ul style="list-style-type: none"> <li>• Operational and financial due diligence is undertaken for key suppliers on an ongoing basis.</li> <li>• Close management of key supplier relationships including contracts, service levels and outputs.</li> <li>• Robust business continuity arrangements for the disruption to key third parties.</li> <li>• DMGT's ownership of printing plants reduces the Consumer Media business's reliance on third parties for producing newspapers.</li> </ul>

<b>Risk</b>	<b>Mitigation examples</b>
<p data-bbox="159 246 606 313"><b>Compliance with laws and regulations</b></p> <p data-bbox="159 313 606 660">The Group operates across multiple jurisdictions and sectors. Increasing regulation increases the risk that the Group is not compliant with all applicable laws and regulations across all of the jurisdictions in which it operates, which could result in financial penalties and reputational damage.</p> <p data-bbox="159 694 606 761">Increasing regulation also results in increasing costs of compliance.</p>	<ul data-bbox="630 246 1436 604" style="list-style-type: none"> <li>• Changes in laws and regulations are monitored and potential impacts discussed with the relevant operating company representatives and escalated as appropriate.</li> <li>• Developments in the legal and regulatory landscape are reviewed by DMGT's Audit &amp; Risk Committee.</li> <li>• Implementation and monitoring of Group-wide policies to address new legislation and regulation where applicable (e.g. TCFD and sanctions compliance).</li> <li>• Monitoring and management of relevant risks is performed by DMGT's Tax, Legal and Pensions sub-committees.</li> </ul>

### **Section 172 statement**

The Directors of DMGT must act in accordance with a set of general duties outlined in Section 172 of the Companies Act 2006. The directors of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its stakeholders.

In doing this, directors must have regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

### **The likely consequences of any decision in the long term**

DMGT's Board and executive management have a long-term perspective, consistent with the fourth generation of family ownership. Organic investment opportunities are prioritised and the Group takes a long-term approach to value creation.

DMGT's executive management meet at least once each month with the management teams of the operating businesses to discuss performance, opportunities, risks and the implications of potential new developments. The Board and executive management team interact regularly. The executive management team attend Board and Committee meetings, joined by operating company leadership teams and subject matter experts, presenting and answering questions on specific matters.

### **The interests of the company's employees**

DMGT encourages curiosity and innovation amongst its people, and is built around a set of values that are common across its portfolio of operating companies. DMGT's culture combines entrepreneurship, purpose, excellence and performance management. The Group fosters constant innovation, growth and talent development.

Talented, motivated people are the key to DMGT's success and the Group is committed to providing a working environment that allows people to reach their full potential.

DMGT invests in its people, developing high-potential leaders at early stages in their careers. Leadership programmes, run at operating company level, are designed to equip talented people with stretching experiences to accelerate their development and realise their potential. DMGT's employees have the chance to develop, doing meaningful and interesting work that will stretch them, taking advantage of all the opportunities that the Group's portfolio of businesses can offer. DMGT's people are supported by a wide range of tailored local learning, training and development programmes. During FY 2022, these courses focused on work skills, including strategic thinking, problem solving, strengthening stakeholder relationships, creativity and innovation, project management and decision making, as well as on specific technical skills. DMGT ensures job opportunities are open to internal candidates, with training and mentoring offered to support promotions and internal mobility.

DMGT also offers work experience and professional development support to all its staff, including external training and qualifications, and the opportunity to apply for additional funding for these. For UK-based businesses, DMGT also provides an inclusive apprenticeship programme for new talent and existing employees, with development opportunities ranging up to MBA level. This is considered a highly effective and sustainable way to support the progression of more people in the business.

There is a suite of policies designed to promote the health and wellbeing of DMGT's employees, including a range of fitness and mindfulness programmes. During the year, there were numerous examples of programmes to support employee wellbeing and good mental health, including wellbeing

workshops and medical support. DMGT supports its employees to maintain a work-life balance. Policies and guidance to enable this are in place across the Group, including special leave policies to support employees with various family circumstances, and an Employee Assistance Programme that offers a family care service.

DMGT's Equal Opportunities Policy is designed to comply with the Equality Act 2010 and the Equality and Human Rights Commission Employment Statutory Code of Practice, and to promote best practice. Managers must set an appropriate standard of behaviour, lead by example and ensure that those they manage adhere to this policy. This policy applies to all aspects of the employee relationship. All decisions must be based on merit. DMGT's Human Resources Information System enables the monitoring of the levels of diversity in the Group's business and the promotion of an inclusive culture. Diversity data including gender, ethnicity, race and disability is tracked across job levels and assessed against a number of key areas, including recruitment processes, attrition and promotions. Employees are regularly asked for their feedback on diversity and inclusion, supported with regular internal communications on a range of activities that promote a collaborative and inclusive culture.

In May 2022, the 125<sup>th</sup> anniversary of the launch of the Daily Mail was celebrated by employees and former employees, marking the importance of the Mail's journalism and thanking the people who have helped deliver and develop it.

The DMGT Board places the highest importance on ensuring that all pension benefits are fully paid and responsibly funded. The DMGT Board and its representatives also work closely with the trustees of the Group's defined benefit pension schemes to help provide financial security for many of DMGT's former and existing employees. During the year, this security was significantly enhanced by the contribution of £413m to the schemes.

#### The need to foster the company's business relationships with suppliers, customers and others

Each business across the Group seeks to invest in relationships with its market and audience. These relationships are vital to the long-term success of DMGT, nurturing mutual loyalty and informing future product development.

Each business also works closely with its suppliers, recognising the importance of reliability and quality, particularly to avoid disruption to supply chains. DMGT is also committed to ensuring that all of its suppliers are paid promptly. Its UK-based operating companies, Landmark Information Group Limited and Associated Newspapers Limited, published their payment practices data in April, October and November 2022, confirming that, consistent with The Payment Practices Code, over 95% of their suppliers' invoices were paid within 60 days during FY 2022.

#### The impact of the company's operations on the community and environment

DMGT supports and encourages purpose within the communities that DMGT's operating companies serve, through a range of local partnerships within them and Group-wide programmes, such as the Champions Awards.

It is important to support operating companies' local communities as it allows DMGT's employees to choose a cause close to their heart. More information about DMGT's involvement with its communities, including Group-wide community initiatives, can be found on the company's website ([www.dmgmt.com](http://www.dmgmt.com)).

Group charitable donations during the year were £0.9m (FY 2021 £0.8m). These included £0.5m to Mail Force Charity's Ukraine Appeal, which was established in March 2022 and is helping refugees displaced by the war. Mail Force Charity is a registered charity that was launched by DMGT during the first UK lockdown, in response to the Covid-19 pandemic. The Mail titles have a long and proud history of galvanising their readers, whether it be planting trees, collecting litter or reducing the

amount of plastic in the ocean. The readers' generosity helped Mail Force Charity's Ukraine Appeal raise over £12m by the end of September 2022.

DMGT recognises its responsibility to consider the impact on the environment of its direct operations, as well as the indirect impact through its supply chain. The majority of energy utilisation and greenhouse gas emissions are due to Consumer Media's print and distribution operations, as well as office premises. DMGT is committed to comprehensive and transparent reporting of the Group's environmental performance. For more information, please see the 'Energy and Carbon Reporting' section in the Directors' Report.

#### The desirability of the company maintaining a reputation for high standards of business conduct

DMGT is a responsible business that adheres to strong ethical standards with a clear, robust Code of Conduct. DMGT encourages responsible business practice and respond to the needs of its stakeholders in several ways:

- promoting strong governance and leadership which encourages responsible business attitudes and actions across the Group;
- maintaining its Code of Conduct, internal governance guide and supporting Group policies and standards;
- ensuring DMGT employees understand key legal and reputational issues through in-person training and e-learning;
- operating effective risk management and internal controls; and
- encouraging business-level participation in corporate responsibility (CR) and community support.

DMGT's policies, as well as the Code of Conduct, safeguard the integrity of its business as well as the welfare of its employees. For more information, please see the 'Code of Conduct and Group policies' section on pages 16 and 17.

#### The need to act fairly as between members of the company

During the year, RCL acquired all of the shares in DMGT that it did not already own, as described in the 'Ownership' section of the Directors' Report. At an early stage in the process, five Directors were identified as not being independent of RCL and were recused from considering the potential offer. The seven Non-conflicted directors were K J Beatty, T G Collier, K A H Parry, JP Rangaswami, J H Roizen, D Trempont and F Wallestam.

The Non-conflicted Directors were advised by JP Morgan Cazenove and Credit Suisse as to the financial terms of the offer, taking into account the special dividend. In assessing the offer, the Non-conflicted DMGT Directors carefully considered the prospects of DMGT, the implication of the dual share structure and DMGT's standard (i.e. non-premium) listing. They unanimously recommended that DMGT shareholders accept the offer.

Following acceptances of the offer being received in respect of 96.6% of the issued DMGT Ordinary A Shares not already owned by RCL, a compulsory acquisition procedure was implemented by RCL to acquire the remaining shares.

### **Non-financial information statement**

DMGT aims to comply with the non-financial reporting requirements in sections 414CB of the Companies Act 2006. The table below and the information it refers to, is intended to help stakeholders understand DMGT's position on key non-financial matters.

<b>Reporting requirement</b>	<b>Policies and standards which govern DMGT's approach</b>	<b>Risk management and additional information</b>
Environmental matters	<ul style="list-style-type: none"> <li>• Environment Policy</li> <li>• Carbon footprint</li> </ul>	<ul style="list-style-type: none"> <li>• Energy and carbon reporting (pages 19 to 21)</li> </ul>
Company's employees	<ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Equal Opportunities Policy</li> <li>• Health and Safety Policy</li> <li>• Whistleblowing Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Section 172 Statement (pages 12 to 14)</li> <li>• Directors' Report (pages 18 to 24)</li> </ul>
Social matters	<ul style="list-style-type: none"> <li>• Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Section 172 Statement (pages 13 to 15)</li> </ul>
Respect for human rights	<ul style="list-style-type: none"> <li>• Modern Slavery Statement</li> <li>• Privacy Policy</li> <li>• Information Security Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Section 172 Statement (pages 13 to 15)</li> </ul>
Anti-corruption and anti-bribery matters	<ul style="list-style-type: none"> <li>• Anti-Bribery and Corruption Policy</li> <li>• Code of Conduct</li> <li>• Tax Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Section 172 Statement (pages 13 to 15)</li> </ul>
A description of the business model		<ul style="list-style-type: none"> <li>• Please see below</li> <li>• Strategy (page 4)</li> <li>• Section 172 Statement (pages 13 to 15)</li> </ul>
Policy embedding, due diligence and outcomes		<ul style="list-style-type: none"> <li>• Please see below</li> <li>• Principal risks and uncertainties (pages 9 to 12)</li> <li>• Section 172 Statement (pages 13 to 15)</li> </ul>
Description of principal risks and impact of business activity		<ul style="list-style-type: none"> <li>• Principal risks and uncertainties (pages 9 to 12)</li> </ul>

### **Business model**

DMGT's market-leading businesses deliver products and solutions with engaging content. The Group provides consumers and businesses with compelling information, analysis, insight, events, news and entertainment. This is monetised through five revenue models: subscriptions, notably the US Property Information business and within Consumer Media; circulation from sales of the paid-for newspapers; advertising in the Consumer Media products; events attendance and sponsorship revenues, notably exhibitor fees; and revenues dependent on transaction volumes, notably of UK properties. DMGT draws on its culture, values, talent, technology and customer relationships in order to create, deliver and monetise its products and solutions.

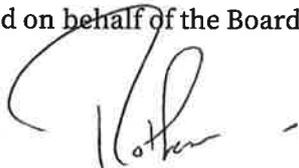
### **Code of Conduct and Group policies**

DMGT's Code of Conduct includes standards for equal opportunities, anti-bribery, conflicts of interest and fair competition, among other topics. It also contains clear guidance regarding equality, diversity and inclusion. Many of the topics in the Code of Conduct are supported by detailed policies and procedures for DMGT's employees. In addition, stand-alone policies regarding equal opportunities, entertainment and gifts, information security, data privacy and health and safety apply to DMGT employees. These policies, as well as the Code of Conduct, safeguard the welfare of DMGT's employees and the integrity of its business. All DMGT policies are available for employees to access

on a Group-wide Policy Microsite. Where appropriate, certain policies are also housed on the DMGT website, [www.dmgmt.com](http://www.dmgmt.com), along with the Code of Conduct.

There is a rolling review programme to update DMGT policies and deliver continuous training to reinforce compliance. Employees who have concerns regarding criminal activity, gross misconduct and/or a breach of the Code of Conduct or supporting policies have a duty to report such activity. Any concerns raised are reported upwards to management, to DMGT executive management and/or to the Board as appropriate. DMGT also operates a confidential 'Speak Up' facility to encourage such reports where an employee feels unable to discuss a matter internally. The Speak Up facility is actively promoted to employees and managed externally by a specialist third party.

For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Rothermere', is written over a faint, circular watermark or logo.

**The Viscount Rothermere**

Chairman

29 November 2022

## **Directors' Report**

### **Directors**

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were:

The Viscount Rothermere  
K J Beatty  
T G Collier  
A H Lane  
F L Morin (resigned 30 September 2022)  
D H Nelson  
K A H Parry OBE  
JP Rangaswami  
J H Roizen (resigned 30 September 2022)  
D Trempont (resigned 30 September 2022)  
F Wallestam  
P A Zwillenberg (resigned 30 September 2022)

No director had any material transactions with the Group other than those set out in Note 43 of the Notes to the Accounts.

DMGT has entered into qualifying third-party indemnity arrangements for the benefit of all of its directors, which were in force during the financial year and at the approval date of the financial statements.

### **Ownership**

Daily Mail and General Trust plc is a public limited company incorporated in England. The Company has two classes of shares: Ordinary Shares, which have voting rights; and Ordinary A Shares ('A Shares'), which do not have voting rights. Rothermere Continuation Limited ('RCL') owned all of the Ordinary Shares throughout the year.

On 3 November 2021, it was announced that RCL and the Non-conflicted DMGT Directors had reached agreement on the terms of a special distribution and on a recommended cash offer by RCL of £2.55 per share to acquire all the issued and to be issued DMGT A Shares not already owned by RCL. On 2 December 2021, an agreed increased final offer of £2.70 per share was announced.

On 14 December 2021, a special dividend was declared and announced to all DMGT shareholders with a record date of 16 December 2021. It was comprised of a cash element of £5.68 per share and a share element of approximately 0.5749 shares in Cazoo Group Ltd (Cazoo) per DMGT share. Settlement of the cash element occurred on 30 December 2021 and settlement of the Cazoo share element occurred on 23 June 2022.

On 16 December 2021, it was announced that sufficient acceptances had been received for the final offer to become unconditional in all respects. 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. On 10 January 2022, DMGT delisted from the London Stock Exchange. On 24 February 2022, RCL acquired all remaining DMGT shares that it had not already acquired by that date and consequently, RCL has owned 100% of DMGT's share capital since 24 February 2022.

For further information, please see the 'Offer for DMGT' page in the 'Our investors / Former shareholders' section on DMGT's website, [www.dmgmt.com](http://www.dmgmt.com).

RCL is incorporated in Jersey, in the Channel Islands and 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 DMGT. Both RCL and the Trust are administered in Jersey. RCL and its directors, and the Trust are related parties to the Company.

### **Dividends**

As per Note 12 of the Notes to the Accounts, DMGT declared dividends in FY 2022 totalling £1,466m, including: £1,310m of cash special dividend; £110m of Cazoo shares distributed in specie; a £40m final dividend for FY 2021; and a £6m interim dividend for FY 2022. This compared to a total of £55m of dividends declared and paid in FY 2021. Also, following the year end, the Board declared and paid an interim dividend for FY 2022 of £5m at its 1 November 2022 meeting.

The Board is recommending the payment on DMGT's issued Ordinary Shares and A Ordinary Non-Voting Shares of a final dividend in respect of FY 2022 of 3.78 pence per share, equivalent to £9m.

### **Employee engagement**

One of the challenges of a geographically diverse organisation is ensuring that the Board and executive management can communicate effectively with all employees. DMGT continues to enhance employee collaboration by using platforms such as instant messaging, video conferencing, a Group-wide microsite to share policies and information and holding regular 'Town Hall' meetings, whether virtually or in-person.

DMGT's Directors understand the importance of considering employees' views when making decisions. The Board of Directors engages with employees directly at company events, Board and Committee meetings. Examples include:

- 'Emerging Leaders' events where Directors meet employees from DMGT Centre and the operating companies who have been identified as future leaders;
- director visits to operating companies;
- directors invited to attend corporate responsibility (CR) events, such as the Community Champions Awards ceremonies; and
- virtual 'Town Hall' events held throughout the Group.

The Board also receives regular reports on initiatives and employee feedback. Engagement surveys are carried out at operating company level, the results of which are summarised and shared with the Board through a regular report.

### **Engagement with other stakeholders**

For information about engagement with customers, suppliers and others in a business relationship with the company, please see the Section 172 statement on pages 13 to 15.

### **Energy and Carbon Reporting**

DMGT evaluates and manages its environmental impact by measuring and reporting on its greenhouse gas (GHG) emissions. As a minimum, its operating companies comply with current regulations of the country that they operate in and are prepared for future legislation. However, operating companies are expected to further mitigate against the negative impacts from their activities wherever possible. DMGT's most significant environmental impact comes from the printing facilities in its Consumer Media business.

DMGT is committed to comprehensive and transparent reporting of its environmental performance. The baseline year for DMGT's carbon emissions is 2019 and the Group uses an operational control consolidation approach. The data supporting the carbon footprint is collated and independently reviewed by an environmental consultancy. The results of the footprint have not been audited by a third-party assurance company.

The footprint is developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standards, and the methodology is also in line with HMG Environmental Reporting Guidelines. Emission factors used are predominantly sourced from BEIS conversion factors 2022. Other data sources are used for the emissions factors for the electricity consumed in non-UK operations. This report is in alignment with the requirements of the Streamlined Energy & Carbon Reporting (SECR) regulation for UK businesses.

For the purposes of this report, the Scope 1, 2 and 3 emission sources included in DMGT's footprint were:

- Scope 1 (direct emissions): combustion of natural gas for heating purposes and printing activities, use of diesel and gasoline in DMGT's fleet and printing sites.
- Scope 2 (indirect emissions): production of electricity imported from the grid and consumed by DMGT's operating businesses globally.
- Scope 3 (other indirect emissions): outsourced delivery of newspapers and air travel for business purposes.

DMGT's FY 2022 carbon footprint, which covers the period from 1 October 2021 to 30 September 2022, totalled 14,600 tCO<sub>2</sub>e. Emissions from UK operations corresponded to 91% and amounted to 13,300 tCO<sub>2</sub>e. The table below shows the footprint and energy use for FY 2022, by scope. For the purposes of comparability, the FY 2020 and FY 2021 figures have been restated to be consistent with the businesses and operations in the portfolio during FY 2022.

Gross GHG emissions (in tCO <sub>2</sub> e)	FY 2022		FY 2021		FY 2020	
	Global (incl. UK)	UK only	Global (incl. UK)	UK only	Global (incl. UK)	UK only
Scope 1	1,400	1,400	1,000	1,000	1,200	1,100
Scope 2	6,500	5,900	6,700	6,100	7,500	6,600
Scope 3	6,700	6,000	6,300	6,200	6,500	6,100
Scopes 1+2+3*	14,600	13,300	14,000	13,200	15,200	13,800
Energy consumption (in MWh)	FY 2022		FY 2021		FY 2020	
	Global (incl. UK)	UK only	Global (incl. UK)	UK only	Global (incl. UK)	UK only
Scope 1	7,500	7,500	5,500	5,100	6,000	5,700
Scope 2	32,100	30,500	30,300	28,600	31,500	29,100
Scopes 1+2*	39,600	38,000	35,800	33,700	37,500	34,800
GHG emissions intensity (in tCO <sub>2</sub> e/£m)	FY 2022		FY 2021		FY 2020	
	Global (incl. UK)	UK only	Global (incl. UK)	UK only	Global (incl. UK)	UK only
Scopes 1+2	8.1	8.9	8.7	9.1	10.0	10.7
Scopes 1+2+3	15.0	16.2	15.8	17.0	17.5	19.2

\* All figures are rounded to the nearest hundred tCO<sub>2</sub>e and kWh. Consequently, totals may not appear to agree to the sum of the components.

The Covid-19 pandemic resulted in significant reductions in emissions and energy consumption during FY 2020 and FY 2021. The reduced use of office space and reduced circulation volumes of the Metro print newspaper led to reductions in Scope 1 and 2 emissions. Similarly, the disruption of travel and reduction in face-to-face meetings in those years resulted in reduced Scope 3 emissions.

During FY 2022, certain activities have increased as the measures to control the pandemic have reduced or ended. Employees have spent less time working from home, resulting in increased use of office space. There has also been an increase in international travel, notably for employees of DMGT's Events & Exhibitions business as more physical events have been held. The energy consumption and related emissions from printing Metro have increased as its circulation volumes have recovered. Collectively, these changes contributed to an increase in DMGT's energy

consumption and Scope 1 and 3 emissions in the year compared to FY 2021. There was, however, a reduction in Scope 2 emissions due to the benefit of a 9% decrease in the CO<sub>2</sub>e factor for UK electricity, as set by the UK's Department for Business, Energy & Industrial Strategy.

DMGT strives to reduce the impact on the environment wherever possible but due to increased activity, its gross GHG emissions increased by 4% in comparison to FY 2021, although GHG emissions intensity reduced by 5% due to DMGT's revenue growth.

DMGT aims to reduce its energy consumption across its offices and printing facilities through implementing operational efficiency enhancements and building modifications. Some of the initiatives undertaken that are helping DMGT to reduce its carbon footprint and the carbon footprint of its employees include the upgrade of building management systems, migration to LED lighting and the installation of electric car charging points at the three printing plants acquired by DMGT during FY 2021.

### **Financial risk management**

The Group is exposed to credit, interest rate and currency risks arising in the normal course of business. Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

Financial uncertainty is a principal risk for DMGT. Please see the 'Principal risks and uncertainties' section on pages 9 to 12 for more information. Note 33 of the Notes to the Accounts sets out the Group's approach to managing financial risk and explains the financial instruments that are used.

### **Going concern**

A description of the Group's business activities, financial position, cash flows, liquidity position, committed facilities and borrowing position, together with the factors likely to affect its future development and performance, is set out in the Strategic Report and in the Notes to the Accounts.

The Directors' assessment of the Group and Company's ability to continue as going concerns includes consideration of cash flow forecasts for the Group and the committed borrowing and debt facilities of the Group which were in place at 30 September 2022. These forecasts include consideration of future trading performance, working capital requirements and the wider economy and included the modelling of a number of downside scenarios.

Taking account of the downside scenarios, the cash position and existing committed facilities, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the Annual Report as they have a reasonable expectation that the Group has adequate resources for a period of at least 12 months from the date of approval to 31 December 2023.

### **Corporate governance**

Strong and rigorous governance is essential to the way DMGT operates. It is promoted by the Board and cascades throughout the Group. It is a key factor in DMGT's ability to achieve growth in a profitable, responsible and sustainable manner.

DMGT's governance framework sets out clear parameters for decision-making and remains unchanged despite the delisting of DMGT's shares. This is achieved through delegated authorities, together with clear policies and standards, which ensure decisions are made by the appropriate body and that there is clear accountability to the DMGT Board. Day-to-day management of DMGT is the responsibility of DMGT's own executive management team and of the executive management of the operating companies. The Board Committees include the Investment & Finance Committee (I&FC), the Remuneration & Nominations Committee (R&NC) and the Audit & Risk Committee (A&RC).

The I&FC evaluates the benefits and risks of investment opportunities and financing proposals up to a value threshold. The I&FC provides regular updates to the Board including monitoring returns on investments made and progress against agreed targets. There are also Legal, Pensions and Tax sub-committees of the I&FC. The R&NC plays a key role in ensuring that DMGT attracts and retains talented people. Long-term incentive awards are an important part of the remuneration packages of managers, consistent with DMGT's long-term approach to value creation.

The A&RC encourages and seeks to safeguard high standards of integrity and conduct in financial reporting and internal control. It also reviews significant business risks to the Group, including financial risk, operational risk and compliance risk.

DMGT operates a 'three lines of defence' model. The first line is that each operating company is responsible for ensuring that they have established a robust financial reporting process and an appropriate level of internal control and risk systems. The second line is that DMGT's executive management review the completeness and accuracy of financial reporting, risk assessments and reporting, as well as the adequacy of internal controls and risk mitigation plans. Executive management are supported by appropriate functional teams, including finance, information technology, legal, insurance and tax. The third line is that the Group Assurance function provides independent and objective assurance on the robustness of the financial reporting process, the effectiveness of internal controls and the risk management framework. The Group Assurance function undertakes an agreed programme of internal independent assurance reviews. The function sources external expertise as required. Group Assurance seeks to comply with relevant professional standards, notably those issued by the Chartered Institute of Internal Auditors, and to ensure independence from management, the Group Assurance Director reports directly to the chairman of the A&RC.

The A&RC also meets regularly and separately with the External Auditor, Group Assurance Director, Group Finance Director and Company Secretary, without other executive management being present, to help ensure the adequacy and robustness of the financial reporting process. The A&RC as a whole has competence relevant to the sectors in which DMGT operates, as well as in financial instruments and property transactions, providing an effective level of challenge to management. Kevin Parry, A&RC Chairman, is a former senior audit partner, a former chief financial officer and has extensive experience as an audit committee chairman. David Nelson, A&RC member, is a partner of an accounting practice. Both are designated as financial experts with competence in accounting and auditing.

#### Wates Principles

DMGT adopted the Wates Corporate Governance Principles for Large Private Companies (the 'Wates Principles') when DMGT delisted from the London Stock Exchange in January 2022. Since then, DMGT has applied each of the six Wates Principles, on which the reporting below is based. Prior to the delisting, DMGT voluntarily applied the 2018 UK Corporate Governance Code, as explained in DMGT's 2021 Annual Report.

*Purpose and leadership:* DMGT aims to generate long-term sustainable value by delivering excellent products and services to its customers. For information about the Group's business model and value drivers, please see page 16. For information about the importance of DMGT's culture and engagement with employees, as well as other stakeholders, please see the 'Employee engagement' section on page 19 and the Section 172 Statement on pages 13 to 15. During the year, the Group's strategy evolved to reflect the substantial change in its financial position following the distribution of the special dividend and funding of the pension schemes. For more information, please see the 'Strategy and Outlook' section on pages 4 and 5.

*Board composition:* The size and structure of the Board was reviewed during the year to ensure that it has the right combination of members to contribute effectively to the development of strategy and how DMGT operates. As a result, the Board was streamlined on 30 September 2022, to better reflect the sectors in which DMGT now operates. This followed a significant reduction in both the complexity and US-weighting of DMGT's portfolio as a result of disposals made in recent years, notably the disposal of the Group's Insurance Risk and EdTech divisions in FY 2021.

DMGT considers diversity in its broadest sense when reviewing how the Board operates and its composition. The directors represent a range of relevant backgrounds, including media, data science, software and digital content. Maintaining this broad range of appropriate skills, including specific-sector experience, will continue to be a factor in Board succession planning.

The Board is chaired by Lord Rothermere, who has a deep understanding of the Group's culture, values, businesses and sectors, as well as over 20 years' experience of chairing DMGT's Board. Consistent with the simplification of the Group and Board, Lord Rothermere has assumed the role of CEO since 30 September 2022. The independent non-executive directors play a vital role in ensuring balanced decision-making and offering constructive challenge.

The A&RC reviews its effectiveness annually, including a questionnaire completed by Committee members, and the review confirmed that the Committee is effective at meeting its objectives and the needs of the Group.

*Director responsibilities:* The Board continues to maintain corporate governance practices that provide clear lines of accountability and responsibility to support effective decision-making. The practices were reviewed by the Chairman and Company Secretary during the year to ensure that they remain fit for purpose. As explained above, the Board continues to make use of committees, the A&RC, I&FC and R&NC. These committees facilitate the consideration of specific matters, such as financial reporting, risk, investments and remuneration, by individual members with appropriate skills and experience. Committees draw on the expertise of third parties to better inform their decision making and the membership of independent non-executive directors helps to ensure that there is constructive challenge during the decision-making process. Extensive and robust internal processes are in place to help ensure the integrity of the information provided to the Board and its committees. The adequacy and effectiveness of these processes is reviewed regularly. For more information, please see the Section 172 Statement on pages 13 to 15 and the explanation of the 'three lines of defence' model above, in respect of financial reporting and risk management.

*Opportunity and risk:* DMGT has a long-standing track record for creating and sustaining value for the long-term. This has been achieved through disciplined and opportunistic investment within acceptable risk parameters. DMGT's culture encourages innovation and entrepreneurship and the I&FC dedicates a substantial proportion of its efforts to deciding where best to allocate the Group's available capital. The Group has robust processes and control systems in place to identify and manage risk, with clearly defined responsibilities and oversight from the A&RC, as explained above. For more information on the key risks that DMGT faces, please see 'Principal risks and uncertainties' on pages 9 to 12. For more information on investment and the importance of DMGT's culture, values and stakeholders to value creation, please the Section 172 Statement on pages 13 to 15.

*Remuneration:* The Board's R&NC aims to structure remuneration packages which attract, motivate and retain talent, drive the right behaviours and pay at competitive market rates. The R&NC considers that a successful remuneration policy needs to be sufficiently flexible to take account of commercial demands and changing market practice whilst encouraging long-term sustainable value creation. The R&NC sets and structures remuneration for directors and senior management directly. It also delegates authority for setting and structuring remuneration of less senior employees within clearly defined parameters and authorisation limits. The R&NC regularly reviews remuneration

structures to ensure they are aligned to the relevant business's strategy and Group's strategy. Effective accountability to shareholders is achieved by Lord Rothermere chairing the R&NC.

*Stakeholder relationships and engagement:* As explained in the 'Strategy' section on page 4, strong and effective stakeholder relationships are key to DMGT's future success. In particular, DMGT's future is dependent on the Group's talented employees delivering excellent products and services to its customers. For more information on relationships and engagement with stakeholders, please see the Section 172 Statement on pages 13 to 15 and the 'Employee engagement' section on page 19.

### **Post balance sheet events**

As per Note 44 of the Notes to the Accounts, the only significant event between the balance sheet date and date of approval of these financial statements, other than relatively minor acquisitions and disposals, was the buy-back and cancellation by DMGT of £50m of its bond debt on 3 November 2022, for £47m cash consideration.

### **Statement of Directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 Group and company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and company will continue in business.

The directors are responsible for safeguarding the assets of the Group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Directors' confirmations**

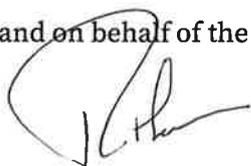
Each of the directors, whose names and functions are listed in this Directors' Report confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and company, together with a description of the principal risks and uncertainties that it faces.

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 Group's and 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 Group's and company's auditors are aware of that information.

For and on behalf of the Board of Directors



**The Viscount Rothermere**

Chairman

29 November 2022

## **Notes to the Strategic Report and Directors' Report**

The Strategic Report and Directors' report include footnotes in respect of 'Statutory', 'Adjusted', 'Underlying', 'Cash operating income' and 'Pro forma net debt'.

These are explained below. The numbering corresponds to that used in both the Strategic Report and Directors' Report.

1 The statutory results are audited IFRS figures before any adjustments. Statutory revenue, operating profit and profit before tax figures are for continuing operations only and exclude discontinued operations, namely the EdTech business, Hobsons, which was disposed of in March 2021, and the Insurance Risk business, RMS, which was disposed of in September 2021.

2 The Board and management team use adjusted results, rather than statutory results, to give greater insight to the financial performance of the Group and the way that it is managed. Similarly, adjusted results are used in setting management remuneration. Adjusted results are stated before exceptional items, other gains and losses, impairment of goodwill and intangible assets, amortisation of intangible assets arising on business combinations, pension finance credits, the cost of foreign exchange options relating to the cash special dividend and fair value adjustments. For reconciliations of statutory profit before tax to adjusted profit before tax and supporting explanations, see pages 27 to 30.

3 The actual net debt position as at 30 September 2022 was £182m including £29m of lease liabilities in respect of the adoption of IFRS 16, the lease accounting standard. The lease liabilities largely reflect the future operating costs of renting office space and are not considered a component of net debt when the Board reviews the Group's available capital. Consequently, they are excluded from pro forma net debt. The pro forma net debt and pro forma net debt:EBITDA ratio as at 30 September 2022 were £153m and 2.0x respectively. For bank covenant purposes, net debt is calculated on a pre-IFRS 16 basis, excluding IFRS 16 lease liabilities, consistent with DMGT's pro forma net debt.

The pro forma net debt of £153m includes gross cash of £52m, £195m of bond debt and £11m net debt in respect of derivatives and collateral. Gross cash includes cash, cash equivalents and short-term deposits, net of overdrafts.

4 Underlying growth rates are on a like-for-like basis. Underlying revenues and operating profits are adjusted for constant exchange rates, the exclusion of disposals and closures, the inclusion of the year-on-year organic growth from acquisitions and for the consistent timing of revenue recognition. For Consumer Media, underlying revenues exclude low margin newsprint resale activities. For events, the comparisons are between events held in the year and the same events held, or that were scheduled to be held, the previous time. The prior year comparatives include all revenues and costs for the previously scheduled occurrence of the same event, whether it occurred or not. Underlying operating profit growth rates include the negative impact of only £3m of insurance cover recognised in FY 2022 compared to £15m in FY 2021. Due to cancellations or postponements, the reported results in FY 2021 include costs recognised in advance of the scheduled occurrence of an event; but for the calculation of underlying growth rates, the costs are recognised when the event was scheduled to be held.

~ Percentages are calculated on actual numbers to one decimal place.

### **Adjusted results; statutory profit before tax (PBT) reconciliation to adjusted PBT**

The Board and management team use adjusted results, rather than statutory results, as the primary basis for providing insight into the financial performance of the Group and the way it is managed. Similarly, adjusted results are used in setting management remuneration. Adjusted results exclude certain items which, if included, could distort the understanding of the comparative performance of the business during the year.

The tables on pages 29 and 30 show the adjustments between statutory profit before tax and adjusted profit before tax, by business, for both FY 2022 and FY 2021.

The explanation for each type of adjustment is as follows:

- 1) **Discontinued operations:** the adjusted results include the pre-disposal results of discontinued operations, namely Hobsons, the EdTech business, and RMS, the Insurance Risk business. Statutory revenue, operating profit and profit before tax, however, only include continuing operations. The gains on the disposal of RMS and Hobsons in FY 2021 are excluded from adjusted results and statutory profit before tax but are included in statutory profit after tax.
- 2) **Exceptional operating costs:** businesses occasionally incur exceptional costs, including severance and consultancy fees, in respect of a reorganisation that is incremental to normal operations. These are excluded from adjusted results. A materiality threshold of £5m has been set for exceptional items unless there was continuation of an activity previously disclosed as exceptional.
- 3) **Intangible impairment and amortisation:** when acquiring businesses, the premium paid relative to the net assets on the balance sheet of the acquired business is classified as either goodwill or as an intangible asset arising on a business combination and is recognised on DMGT's balance sheet. This differs to organically developed businesses where assets such as employee talent and customer relationships are not recognised on the balance sheet. Impairment and amortisation of intangible assets and goodwill arising on acquisitions are excluded from adjusted results as they relate to historical M&A activity and future expectations rather than the trading performance of the business during the period. Software, including products, is also recognised as an intangible asset on the balance sheet but the ongoing amortisation of software is similar to the depreciation of tangible assets and is an everyday cost of doing business, so is included in both statutory and adjusted results.
- 4) **Gain on sale or purchase of assets:** the Group makes gains or losses when disposing of businesses, for example on the disposal of Landmark's operations in the Republic of Ireland during FY 2021. These items are excluded from adjusted results as they reflect the value created since the business was formed or acquired rather than the operating performance of the business during the period. Similarly, the gains or losses made by joint ventures or associates when disposing of businesses are excluded from adjusted results. Rarely, the Group may make a gain when acquiring a business where the value of identifiable net assets is more than the consideration paid, as with the purchase of three printing plants in FY 2021. The gain is excluded from adjusted results as it is unrelated to the operating performance during the period.
- 5) **Adjusting finance items:** the finance credit on defined benefit pension schemes is a formulaic calculation that does not necessarily reflect the underlying economics associated with the relevant pension assets and liabilities. It is effectively a notional credit and is excluded from adjusted results. Also, in FY 2022, foreign exchange options were bought to hedge US\$600m of the Group's cash balances into sterling in anticipation of the substantial special dividend that was paid later in the period. The cost of buying the options for the highly unusual special dividend is excluded from the adjusted results. Other items that are excluded from adjusted results include changes in the fair value of certain financial instruments, notably mark-to-market movements on interest rate cap derivatives, and changes to future acquisition

payments. They are considered to be unrelated to the ongoing cost of doing business. The share of joint ventures' and associates' tax charges is included in the statutory profit before tax but, since it is a tax charge, is excluded from adjusted profit before tax. The share of joint ventures' and associates' interest charges is reclassified to financing costs in the adjusted results.

**Reconciliation: Statutory profit to adjusted profit – FY 2022**

£ millions	Note	CM <sup>A</sup>	PI <sup>B</sup>	E&E <sup>C</sup>	CC <sup>D</sup>	Sub-Total	JV&A <sup>E</sup>	DMGT Group
<b>Statutory operating profit</b>		<b>15</b>	<b>27</b>	<b>8</b>	<b>(92)</b>	<b>(42)</b>	<b>(45)</b>	<b>(87)</b>
Exceptional operating costs	2	22	-	-	57	80	-	80
Intangible impairment and amortisation	3	15	5	1	-	21	39	60
Exclude JVs & associates							(6)	6
<b>Adjusted operating profit</b>		<b>52</b>	<b>33</b>	<b>9</b>	<b>(35)</b>	<b>59</b>		<b>59</b>

£ millions	Note	CM <sup>A</sup>	PI <sup>B</sup>	E&E <sup>C</sup>	CC <sup>D</sup>	JV&A <sup>E</sup>	FC <sup>F</sup>	DMGT Group
<b>Statutory PBT</b>		<b>14</b>	<b>34</b>	<b>8</b>	<b>(67)</b>	<b>(45)</b>	<b>(4)</b>	<b>(60)</b>
Gain on sale or purchase of assets	4	1	(7)	-	(24)	-	-	(31)
Operating profit adjustments (∞ above)	2, 3	37	6	1	57	39	-	140
Adjusting finance items	5	-	-	-	-	-	(10)	(10)
<b>Adjusted PBT</b>		<b>52</b>	<b>33</b>	<b>9</b>	<b>(35)</b>	<b>(6)</b>		<b>39</b>

Notes: The figures in the Note column above correspond with explanations of the adjustments given on pages 27 and 28.

- A CM = Consumer Media, B PI = Property Information, C E&E = Events and Exhibitions, D CC = Corporate costs, E JV&A = Joint ventures and associates, F FC = Financing costs

Amounts are stated rounded to the nearest million pounds. Consequently, totals may not equal the sum of the component integers.

**Reconciliation: Statutory profit to adjusted profit – FY 2021**

£ millions	Note	CM <sup>A</sup>	PI <sup>B</sup>	IR <sup>C</sup>	ET <sup>D</sup>	EI <sup>E</sup>	E&E <sup>F</sup>	CC <sup>G</sup>	JV&A <sup>H</sup>	DMGT Group	
<b>Statutory operating profit</b>		<b>53</b>	<b>37</b>	-	-	-	(17)	(69)	(10)	(6)	
Discontinued operations	1	-	-	40	1	(5)	-	-	-	35	
Exceptional operating costs	2	2	1	-	-	5	-	31	-	∞	
Intangible impairment and amortisation	3	5	6	-	-	-	17	-	7	∞	
Exclude JVs & associates									(3)	3	
<b>Adjusted operating profit</b>		<b>60</b>	<b>44</b>	<b>40</b>	<b>1</b>	-	-	<b>(38)</b>		<b>106</b>	
£ millions	Note	CM <sup>A</sup>	PI <sup>B</sup>	IR <sup>C</sup>	ET <sup>D</sup>	EI <sup>E</sup>	E&E <sup>F</sup>	CC <sup>G</sup>	JV&A <sup>H</sup>	FC <sup>I</sup>	DMGT Group
<b>Statutory PBT</b>		<b>57</b>	<b>47</b>	-	-	-	(17)	(68)	(10)	(11)	(2)
Discontinued operations*	1	-	-	1,359	232	(4)	-	-	-	(2)	1,584
Gain on sale or purchase of assets*	4	(4)	(9)	(1,320)	(231)	(1)	-	(1)	-	-	(1,566)
Operating profit adjustments (∞ above)	2, 3	7	6	-	-	5	17	31	7	-	74
Adjusting finance items	5	-	-	-	-	-	-	-	-	(2)	(2)
<b>Adjusted PBT</b>		<b>60</b>	<b>44</b>	<b>40</b>	<b>1</b>	-	-	<b>(38)</b>	<b>(3)</b>	<b>(15)</b>	<b>88</b>

Notes: The figures in the Note column above correspond with explanations of the adjustments given on pages 27 and 28.

- A CM = Consumer Media, B PI = Property Information, C IR = Insurance Risk, D ET = EdTech, E EI = Energy Information, F E&E = Events and Exhibitions, G CC = Corporate costs, H JV&A = Joint ventures and associates, I FC = Financing costs
- \* Discontinued operations and gain on sale of assets both include the £1,551m profit on disposal of discontinued operations.

Amounts are stated rounded to the nearest million pounds. Consequently, totals may not equal the sum of the component integers.

**Reconciliation: Adjusted results including and excluding discontinued operations**

£ million	Full Year 2022		Full Year 2021	
	Adjusted results including discontinued operations	Adjusted results excluding discontinued operations	Adjusted results including discontinued operations	Adjusted results excluding discontinued operations
<b>Revenues</b>				
Statutory - continuing operations	974	974	885	885
Discontinued operations	-	-	257	-
<b>Total adjusted revenues</b>	<b>974</b>	<b>974</b>	<b>1,142</b>	<b>885</b>
<b>Adjusted operating profit</b>				
Continuing operations	59	59	66	66
Discontinued operations	-	-	41	-
<b>Total adjusted operating profit</b>	<b>59</b>	<b>59</b>	<b>106</b>	<b>66</b>
<b>Operating margin %</b>	<b>6%</b>	<b>6%</b>	<b>9%</b>	<b>7%</b>

Notes: The discontinued operations refer to Hobsons, the EdTech business that was sold in March 2021, and RMS, the Insurance Risk business that was sold in September 2021.

Amounts are stated rounded to the nearest million pounds. Consequently, totals may not equal the sum of the component integers.

# **Independent auditors' report to the members of Daily Mail and General Trust plc**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion:

- Daily Mail and General Trust plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 September 2022 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated and Company Statements of Financial Position as at 30 September 2022; the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Changes in Equity, and the Consolidated Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit & Risk Committee.

### **Basis for opinion**

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

### **Independence**

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

## **Our audit approach**

### **Overview**

#### Audit scope

- Our audit included full scope audits of eight components and audit procedures performed centrally over specific material balances around the group. We scoped our audit at a business level, and our full scope components are within the Consumer Media, Events and Exhibitions and Property Information divisions.
- Our full scope audits accounted for 80% of the group's external revenue.

#### Key audit matters

- Impairment of intangible assets and goodwill (group)
- Accounting for deferred tax (group)
- Carrying value of shares in group undertakings (parent)

#### Materiality

- Overall group materiality: £9,700,000 (2021: £4,000,000) based on 1% of group's revenue.
- Overall company materiality: £14,800,000 (2021: £43,000,000) based on 1% of total assets.
- Performance materiality: £7,200,000 (2021: £3,000,000) (group) and £11,100,000 (2021: £32,250,000) (company).

### **The scope of our audit**

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

### **Key audit matters**

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Accounting for acquisitions and disposals, presentation for adjusted profit and impact of COVID-19, which were key audit matters last year, are no longer included because of no material acquisitions or disposals in the year, following delisting of the group there is less external focus on adjusted profit measures and while the group is impacted by the current macroeconomic environment there is no longer a significant direct impact of COVID-19. Otherwise, the key audit matters below are consistent with last year.

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<u>Impairment of intangible assets and goodwill (group)</u>  Refer to Notes 21 and 22 in the group financial statements.  The group has £201.5 million of	As part of our audit of the Directors' impairment assessments (for both goodwill and intangible assets) we evaluated future cash flow forecasts and the process by which they were

<p>goodwill and a further £79.4 million of other intangible assets on the Consolidated Statement of Financial Position at 30 September 2022. There has been an impairment charge recorded of £8.5 million against goodwill and £0.5 million against other intangible assets for businesses which remain in the Consolidated Statement of Financial Position at 30 September 2022.</p> <p>For the groups of CGUs to which goodwill relates (which require an annual impairment test), the determination of the recoverable amount, being the higher of value in use (VIU) and fair value less costs of disposal (FVLCD), requires judgement and estimation by management. This is because the determination of a recoverable amount includes management's consideration of key internal inputs and external market conditions such as future cash flows, long-term growth rates, and the determination of the most appropriate discount rate. There is a risk that if these cash flows do not meet the Directors' expectations, some of these assets may be impaired. Therefore, we considered it to be a key audit matter.</p>	<p>drawn up. This included comparing them to the latest Board approved budget and four-year plan, and testing the mathematical accuracy of the assessments.</p> <p>For the impairment assessment of goodwill and intangible assets allocated to the material individual lowest level CGUs, we tested all key assumptions, including:</p> <ul style="list-style-type: none"> <li>● revenue and profit assumptions included within the future forecasts, by considering independent third-party support available and the recovery time from the impact of Covid-19, along with the impact of climate change built into the future cash flow forecasts;</li> <li>● the long-term growth rates in the forecasts by comparing them to historical results, market data, and economic and industry forecasts using our valuation expertise;</li> <li>● the discount rate by comparing the cost of capital for the group with comparable organisations, and assessing the specific risk premium applied to the business using our valuation expertise; and</li> <li>● the Directors' potential bias by performing our own sensitivity analysis on key assumptions, particularly those driving underlying cash flows.</li> </ul> <p>We assessed the appropriateness of the related disclosures in Note 21 and Note 22, including the sensitivities provided, and considered them to be reasonable.</p> <p>The impairment charges recorded for goodwill and intangibles are reasonable. For those assets where the Directors determined that no impairment was required and that no additional sensitivity disclosures were necessary, we found that these judgements were supported by reasonable assumptions that would require significant downside changes before any material impairment was necessary.</p>
<p><u>Accounting for deferred tax (group)</u></p> <p>Refer to the Notes 11 and 36 in the group financial statements.</p> <p>The group's recognition of deferred tax liabilities on the pension surplus (given</p>	<p>We involved our tax specialists in our testing of the appropriateness of the estimates taken in relation to deferred taxation recognised in the group financial statements.</p>

the significant increase in the surplus following the large pension contribution made in the period) and recognition of deferred tax assets in respect of tax losses and deferred interest expense are areas of focus due to the quantum of the tax attributes and the requirement to make estimates of future taxable profits in determining the valuation of deferred tax assets.

The recognition and measurement of these items in the financial statements involves estimation, and we focussed on the Directors' forecasts of future profits against which to utilise accumulated losses and deferred interest expenses, and the technical interpretation of taxation law in respect to transactions giving rise to deferred tax assets.

In measuring the deferred tax liability relating to the IAS 19 pension surplus, consideration has been given to the manner of recovery of the surplus and management's best estimate of the amount that would be payable by the pension trusts on any part of the surplus returned to the group in the future.

In addition to the recognition of deferred tax assets against the deferred tax liabilities, the group is recognising further deferred tax assets on carried forward losses based on future profit forecasts. In assessing the likelihood of the group being able to generate sufficient future taxable profits against which to offset accumulated losses and deferred interest expenses, we considered:

- key inputs to the calculation including revenue and profit assumptions, in line with our work over the carrying value of goodwill and intangible assets;
- the impact of changes to intra-group financing between the UK and the US during the year; and
- the Directors' ability to accurately forecast future profits.

In understanding and evaluating the Directors' technical interpretation of tax law in respect of specific transactions that gave rise to deferred tax assets and uncertain tax positions we considered:

- third party tax advice received by the group;
- the status of recent and current tax authority audits and enquiries;
- the outturn of previous claims;
- judgemental positions taken in tax returns and current year estimates; and
- developments in the tax environment, including the continuing impact of US tax reform.

We consider the valuation of the deferred tax assets and unrecognised deferred tax assets to be supportable based on our evaluation of the technical interpretations outlined above. We assessed the appropriateness of the related disclosures in the notes to the group financial statements and considered them to be reasonable.

Carrying value of shares in group undertakings (company)

Refer to Notes 2 and 8 to the Company Statement of Financial Performance.

Shares in group undertakings of £1,350.2 million are accounted for at cost less any provision for impairment in the company balance sheet at 30 September 2022.

Shares in group undertakings are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of the shares in group undertakings are estimated in order to determine the extent of the impairment loss, if any. The key assumptions included in those estimates include cash flow projections, nominal long-term (decline)/ growth rates and discount rates of the CGUs.

Management's annual investment in subsidiaries trigger assessment, performed as per the requirements of IAS 36 *'Impairment of assets'*, identified a trigger in the DMGH and DMGB investment's as a result of the challenging macroeconomic conditions affecting the Media division, as well as the impact of the distribution in specie of the Cazoo shares and cash balances held in the US business. The total impairment charge recognised in the period was £423.2 million and £1,149.2 million for against the company's investment in DMGB and DMGH respectively.

For each discounted cash flow prepared for the relevant undertakings, we have verified the mathematical integrity of the management's Value-in-Use calculations, as well as testing all key assumptions, including:

- cash flow projections by considering the historical accuracy of forecasts against actual performance;
- the nominal long-term (decline)/growth rates by comparing them to historical results and industry forecasts; and
- the discount rates applied in the models by comparing the cost of capital for the group with comparable organisations and assessing the specific risk premium applied to each business using our valuation expertise.

Where applicable, we have performed an independent sensitivity analysis to understand the impact of reasonable changes in management's assumptions on the available headroom. We also considered the implied multiples of the individual CGUs and the business as a whole in comparison to available external market data.

As a result of our work, we considered the impairment charge to be appropriate and that the remaining carrying values of the shares in undertakings held by the company are supportable in the context of the company financial statements taken as a whole.

**How we tailored the audit scope**

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group's business activities are split into three operating divisions: Consumer Media, Events and Exhibitions and Property Information. We scoped our audit at the business level, with divisional consolidation adjustments audited at the group level. Within Consumer Media, Events and Exhibitions, Property Information and Head Office we identified six

businesses, for which we instructed our component teams to complete an audit of their complete financial information, either due to their relative size or risk. These businesses are located in the United Arab Emirates and the United Kingdom. We further performed full scope audits of two Head Office components. Our full scope audits accounted for 80% of the group's revenue.

At the group level, we also carried out analytical and other audit procedures on specific material line items across the group.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those locations to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole. We issued formal, written instructions to component auditors setting out the work to be performed by each of them and maintained regular communication throughout the audit cycle.

These interactions included attending component clearance meetings and holding regular conference calls, as well as reviewing and assessing matters reported. The group engagement team also reviewed selected audit working papers for financially significant and material components.

This, together with audit procedures performed at the group level (including procedures over impairment of goodwill and intangibles, material head office entities, tax, pensions and consolidation adjustments), gave us the evidence we needed for our opinion on the group financial statements as a whole.

### **Materiality**

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	<b>Financial statements - group</b>	<b>Financial statements - company</b>
<i>Overall materiality</i>	£9,700,000 (2021: £4,000,000).	£14,800,000 (2021: £43,000,000).
<i>How we determined it</i>	1% of group's revenue	1% of total assets
<i>Rationale for benchmark applied</i>	We considered the most appropriate benchmark on which to calculate materiality was the group's revenue. Following the delisting of the group's equity, we have updated our benchmark to revenue as an appropriate metric that both generates a materiality threshold appropriate for the delisted group structure and reflects a metric that primary readers of the financial	The company is not profit-oriented. Total assets is used as the benchmark as the company's principal activity is to hold investments, creditors', and debtors' balances. We have applied a 1% rule of thumb suggested by ISAs (UK) as the company is a public interest entity. Our prior year materiality for the company was calculated on

	statements and the group's operations are interested in. We have applied a 1% rule of thumb suggested by ISAs (UK) as the company is a public interest entity. Our prior year materiality was calculated based on applying a 5% rule of thumb to a rolling three-year average of adjusted profit before tax and non-controlling interests using FY2021, FY2020 and FY2019 actuals.	the same basis.
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For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.8 million and £8.7 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to £7,200,000 (2021: £3,000,000) for the group financial statements and £11,100,000 (2021: £32,250,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit & Risk Committee. that we would report to them misstatements identified during our audit above £0.48 million (group audit) (2021: £0.2 million) and £0.7 million (company audit) (2021: £2.1 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### **Conclusions relating to going concern**

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- We assessed the directors' going concern cash flow projections, agreeing them to the latest Board approved forecasts which have factored in estimated cash outflows over the going concern assessment period to 31 December 2023;
- We evaluated the future cash flows with reference to historical trading performance and market expectations from industry or economic reports;
- We tested the available committed debt facilities, including checking that the key terms were applied appropriately in the going concern assessment related to the maturity dates of available committed debt facilities and covenant requirements;
- We considered the base case and severe but plausible scenarios applied and considered their likelihood and whether more severe scenarios could arise and the associated impact on available liquidity and compliance with covenant requirements;
- We considered the likelihood of events arising that could erode liquidity or impact compliance with covenant requirements within the forecast period;

- We assessed the performance of the group since year end and compared it with the Board approved cash flow forecast; and
- We read the basis of preparation note (Note 1 to the financial statements) and validated that it accurately described management's going concern considerations.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 September 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection, including the General Data Protection Regulation (GDPR) and the proposed ePrivacy Regulation, libel legislation, tax compliance, and EU Market Abuse Regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with management, internal audit and the group's internal legal counsel, including consideration of potential instances of non-compliance with laws and regulation and fraud;
- Review and assessment of matters reported through the Directors' Litigation Report, bribery, fraud, whistleblowing and internal controls review reports;
- Review of internal audit reports insofar as they related to the financial statements;
- Challenging assumptions and judgements made by directors, in particular in relation to, but not limited to, areas identified in the key audit matters below; and

- Identifying and testing the validity of journal entries based on specific risk criteria, in particular any journal entries posted with unusual financial statement line item combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 auditors' report.

#### **Use of this report**

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

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.

#### **Appointment**

Following the recommendation of the Audit & Risk Committee, we were appointed by the members on 4 February 2015 to audit the financial statements for the year ended 30 September 2015 and subsequent financial periods. The period of total uninterrupted engagement is 8 years, covering the years ended 30 September 2015 to 30 September 2022.

**Other matter**

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.



Philip Stokes (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
30 November 2022

# Financial Statements

## Consolidated Income Statement

For the year ended 30 September 2022

		Year ended 30 September 2022	Year ended 30 September 2021
	Note	£m	£m
<b>CONTINUING OPERATIONS</b>			
Revenue	3	974.0	885.3
<b>Adjusted operating profit</b>	3, (i)	58.8	65.5
Exceptional operating costs, impairment of internally generated and acquired computer software	3	(79.9)	(33.4)
Amortisation and impairment of acquired intangible assets arising on business combinations and impairment of goodwill	3	(20.6)	(28.2)
<b>Operating (loss)/profit before share of results and impairment of joint ventures and associates</b>	4	(41.7)	3.9
Share of results of joint ventures and associates	7	(6.4)	(3.3)
Impairment of carrying value of associates and loans to associates	7	(38.9)	(6.5)
<b>Total operating loss</b>		(87.0)	(5.9)
Other gains and losses	8	30.8	14.3
<b>(Loss)/profit before investment revenue, net finance costs and tax</b>		(56.2)	8.4
Investment revenue	9	2.8	2.3
Finance expense	10	(30.4)	(15.6)
Finance income	10	23.7	2.5
<b>Net finance costs</b>		(6.7)	(13.1)
<b>Loss before tax</b>		(60.1)	(2.4)
Tax	11	(85.6)	62.2
<b>(Loss)/profit after tax from continuing operations</b>		(145.7)	59.8
<b>DISCONTINUED OPERATIONS</b>	18		
Profit from discontinued operations		11.6	1,480.1
<b>(LOSS)/PROFIT FOR THE YEAR</b>		(134.1)	1,539.9
<b>Attributable to:</b>			
Owners of the Company	38	(133.8)	1,542.3
Non-controlling interests*	39	(0.3)	(2.4)
<b>(Loss)/profit for the year</b>		(134.1)	1,539.9

\*All attributable to continuing operations.

- (i) Adjusted operating profit is defined as total operating profit from continuing operations before share of results and impairment of joint ventures and associates, exceptional operating costs, impairment of goodwill and intangible assets, amortisation of acquired intangible assets arising on business combinations and impairment of property, plant and equipment.

# Financial Statements

## Consolidated Statement of Comprehensive Income

For the year ended 30 September 2022

		Year ended 30 September 2022	Year ended 30 September 2021
	Note	£m	£m
<b>(Loss)/profit for the year</b>		<b>(134.1)</b>	1,539.9
<b>Items that will not be reclassified to Consolidated Income Statement</b>			
Actuarial gain on defined benefit pension schemes	38	271.3	155.8
Foreign exchange differences on translation of foreign operations of non-controlling interests	39	(0.2)	(0.1)
Tax relating to items that will not be reclassified to Consolidated Income Statement	38	(95.0)	(49.4)
Fair value movement of financial assets through Other Comprehensive Income	25, 38	(646.0)	370.8
<b>Total items that will not be reclassified to Consolidated Income Statement</b>		<b>(469.9)</b>	477.1
<b>Items that may be reclassified subsequently to Consolidated Income Statement</b>			
(Loss)/gain on hedges of net investments in foreign operations	38	(5.9)	6.1
Costs of hedging	38	0.4	(0.2)
Costs of hedging recycled to Consolidated Income Statement on currency swap termination	10, 38	(0.3)	-
Translation reserves recycled to Consolidated Income Statement on disposals	8, 17, 18, 38	(6.4)	(52.2)
Foreign exchange differences on translation of foreign operations	38	5.8	(13.3)
<b>Total items that may be reclassified subsequently to Consolidated Income Statement</b>		<b>(6.4)</b>	(59.6)
<b>Other comprehensive (expense)/income for the year</b>		<b>(476.3)</b>	417.5
<b>Total comprehensive (expense)/income for the year</b>		<b>(610.4)</b>	1,957.4
<b>Attributable to:</b>			
Owners of the Company		(609.9)	1,959.9
Non-controlling interests		(0.5)	(2.5)
		<b>(610.4)</b>	1,957.4
Continuing operations		(622.0)	544.4
Discontinued operations		11.6	1,413.0
		<b>(610.4)</b>	1,957.4
<b>Total comprehensive (expense)/income for the year from continuing operations attributable to:</b>			
Owners of the Company		(621.5)	546.9
Non-controlling interests		(0.5)	(2.5)
		<b>(622.0)</b>	544.4

# Consolidated Statement of Changes in Equity

For the year ended 30 September 2022

	Note	Called-up share capital £m	Share premium account £m	Capital redemption reserve £m	Own shares £m	Translation reserve £m	Retained earnings £m	Equity attributable to owners of the Company £m	Non- controlling interests £m	Total equity £m
<b>At 1 October 2020</b>		<b>29.3</b>	<b>17.8</b>	<b>21.0</b>	<b>(59.3)</b>	<b>66.5</b>	<b>1,069.9</b>	<b>1,145.2</b>	<b>1.0</b>	<b>1,146.2</b>
Profit/(loss) for the year	38, 39	-	-	-	-	-	1,542.3	1,542.3	(2.4)	1,539.9
Other comprehensive income/(expense) for the year	38, 39	-	-	-	-	(59.6)	477.2	417.6	(0.1)	417.5
<b>Total comprehensive income/(expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(59.6)</b>	<b>2,019.5</b>	<b>1,959.9</b>	<b>(2.5)</b>	<b>1,957.4</b>
Dividends	12, 38	-	-	-	-	-	(55.0)	(55.0)	-	(55.0)
Own shares acquired in the year	38	-	-	-	(1.0)	-	-	(1.0)	-	(1.0)
Own shares released on exercise of share options	38	-	-	-	24.8	-	-	24.8	-	24.8
Credit to equity for share- based payments	38	-	-	-	-	-	40.1	40.1	-	40.1
Settlement of exercised share options	38	-	-	-	-	-	(34.0)	(34.0)	-	(34.0)
Deferred tax on other items recognised in equity	36, 38	-	-	-	-	-	3.6	3.6	-	3.6
<b>At 30 September 2021</b>		<b>29.3</b>	<b>17.8</b>	<b>21.0</b>	<b>(35.5)</b>	<b>6.9</b>	<b>3,044.1</b>	<b>3,083.6</b>	<b>(1.5)</b>	<b>3,082.1</b>
Loss for the year	38, 39	-	-	-	-	-	(133.8)	(133.8)	(0.3)	(134.1)
Other comprehensive expense for the year	38, 39	-	-	-	-	(6.4)	(469.7)	(476.1)	(0.2)	(476.3)
<b>Total comprehensive expense for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6.4)</b>	<b>(603.5)</b>	<b>(609.9)</b>	<b>(0.5)</b>	<b>(610.4)</b>
Cancellation of A Ordinary Non-Voting Shares	37, 38	(0.5)	-	0.5	28.9	-	(28.9)	-	-	-
Dividends	12, 38	-	-	-	-	-	(1,356.4)	(1,356.4)	-	(1,356.4)
Cazoo dividend in specie	12, 25, 38	-	-	-	-	-	(109.8)	(109.8)	-	(109.8)
Transfers		-	-	-	-	-	(3.3)	(3.3)	-	(3.3)
Own shares released on exercise of share options	38	-	-	-	6.6	-	-	6.6	-	6.6
Credit to equity for share- based payments	38	-	-	-	-	-	58.8	58.8	-	58.8
Settlement of exercised share options	38	-	-	-	-	-	(62.7)	(62.7)	-	(62.7)
Deferred tax on other items recognised in equity	36, 38	-	-	-	-	-	(4.4)	(4.4)	-	(4.4)
<b>At 30 September 2022</b>		<b>28.8</b>	<b>17.8</b>	<b>21.5</b>	<b>-</b>	<b>0.5</b>	<b>933.9</b>	<b>1,002.5</b>	<b>(2.0)</b>	<b>1,000.5</b>

# Financial Statements

## Consolidated Statement of Financial Position

At 30 September 2022

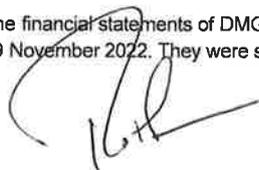
	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	20	201.5	208.1
Other intangible assets	21	79.4	93.0
Property, plant and equipment	22	50.2	55.4
Right of use assets	23	31.3	34.7
Investments in joint ventures	24	1.3	1.7
Investments in associates	24	34.7	69.2
Financial assets at fair value through Other Comprehensive Income	25	62.8	806.0
Trade and other receivables	27	1.3	3.3
Other financial assets	28	15.9	140.5
Derivative financial assets	33	11.9	0.4
Retirement benefit assets	34	1,009.2	303.1
Deferred tax assets	36	31.4	4.7
		<b>1,530.9</b>	<b>1,720.1</b>
<b>Current assets</b>			
Inventories	26	27.7	16.4
Trade and other receivables	27	247.1	186.9
Current tax receivable	31	-	0.4
Other financial assets	28	5.1	9.2
Derivative financial assets	33	-	0.4
Cash and cash equivalents	29	53.0	1,746.9
Total assets of businesses held for sale	19	-	6.9
		<b>332.9</b>	<b>1,967.1</b>
<b>Total assets</b>		<b>1,863.8</b>	<b>3,687.2</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	30	(354.3)	(264.4)
Current tax payable	31	(4.2)	(1.7)
Borrowings	32	(0.7)	(1.7)
Lease liabilities	32	(7.3)	(16.6)
Provisions	35	(74.7)	(61.4)
Total liabilities of businesses held for sale	19	-	(5.9)
		<b>(441.2)</b>	<b>(351.7)</b>
<b>Non-current liabilities</b>			
Trade and other payables	30	-	-
Borrowings	32	(194.6)	(199.5)
Lease liabilities	32	(21.5)	(20.5)
Derivative financial liabilities	33	(19.5)	(17.2)
Retirement benefit deficit	34	-	(8.0)
Provisions	35	(2.2)	(2.3)
Deferred tax liabilities	36	(184.3)	(5.9)
		<b>(422.1)</b>	<b>(253.4)</b>
<b>Total liabilities</b>		<b>(863.3)</b>	<b>(605.1)</b>
<b>Net assets</b>		<b>1,000.5</b>	<b>3,082.1</b>

# Consolidated Statement of Financial Position

At 30 September 2022

		At 30 September 2022	At 30 September 2021
	Note	£m	£m
<b>SHAREHOLDERS' EQUITY</b>			
Called-up share capital	37	28.8	29.3
Share premium account	38	17.8	17.8
<b>Share capital</b>		<b>46.6</b>	<b>47.1</b>
Capital redemption reserve	38	21.5	21.0
Own shares	38	-	(35.5)
Translation reserve	38	0.5	6.9
Retained earnings	38	933.9	3,044.1
<b>Equity attributable to owners of the Company</b>		<b>1,002.5</b>	<b>3,083.6</b>
<b>Non-controlling interests</b>	39	<b>(2.0)</b>	<b>(1.5)</b>
		<b>1,000.5</b>	<b>3,082.1</b>

The financial statements of DMGT plc (Company number 184594) on pages 43 to 134 were approved by the Directors and authorised for issue on 29 November 2022. They were signed on their behalf by



The Viscount Rothermere

Director

# Financial Statements

## Consolidated Cash Flow Statement

For the year ended 30 September 2022

		Year ended 30 September 2022	Year ended 30 September 2021
	Note	£m	£m
<b>Cash (used in)/generated by operations</b>	14	<b>(369.7)</b>	128.5
Taxation paid		(7.5)	(26.1)
Taxation received		0.7	3.8
<b>Net cash (used in)/generated from operating activities</b>		<b>(376.5)</b>	106.2
<b>Investing activities</b>			
Interest received		0.4	1.1
Dividends received from joint ventures and associates	24	1.2	1.0
Dividends received from financial assets held at fair value through other comprehensive income	9	1.8	-
Purchase of property, plant and equipment	22, 23	(13.5)	(8.3)
Expenditure on internally generated intangible fixed assets	21	(4.3)	(5.2)
Expenditure on other intangible assets	21	-	(2.1)
Purchase of financial assets held at fair value through Other Comprehensive Income	25	(7.7)	(53.4)
Proceeds on disposal of property and plant and equipment		0.1	0.3
Proceeds on disposal of financial assets held at fair value through Other Comprehensive Income		-	22.1
Purchase of businesses and subsidiary undertakings, net of cash acquired	16	(1.5)	(77.9)
Collateral posted on Treasury derivatives	15	4.1	12.5
Investment in joint ventures and associates	24	(3.4)	(21.7)
Loans advanced to joint ventures and associates		(3.8)	(4.2)
Proceeds on disposal of businesses and subsidiary undertakings	17	7.7	1,519.6
Proceeds on disposal of joint ventures and associates	8, 24	16.9	10.9
Release from/(payment into) escrow	28	120.7	(120.7)
<b>Net cash generated from investing activities</b>		<b>118.7</b>	1,274.0
<b>Financing activities</b>			
Equity dividends paid	12, 38	(1,356.4)	(55.0)
Purchase of own shares	38	-	(1.0)
Net payment on settlement of share options		(56.1)	(9.3)
Interest paid on borrowings		(16.8)	(14.1)
Premium paid on options	10	(7.2)	-
Bonds repaid		-	(0.8)
Settlement of derivatives	15	(12.9)	-
Amounts received on sublease receivable		3.5	3.8
Interest paid on lease liabilities	15	(0.9)	(3.4)
Repayments of lease liabilities	15	(17.3)	(22.3)
<b>Net cash used in financing activities</b>		<b>(1,464.1)</b>	(102.1)
<b>Net (decrease)/increase in cash and cash equivalents</b>	15	<b>(1,721.9)</b>	1,278.1
Cash and cash equivalents at beginning of year	29	1,745.2	479.9
Exchange gain/(loss) on cash and cash equivalents	15	29.0	(12.8)
<b>Net cash and cash equivalents at end of year</b>	15, 29	<b>52.3</b>	1,745.2

# Financial Statements

## Notes to the accounts

### 1 Basis of preparation

DMGT plc is a company incorporated and domiciled in the United Kingdom. The address of the registered office is Northcliffe House, 2 Derry Street, London, W8 5TT.

These financial statements have been prepared in accordance with UK adopted international accounting standards.

These financial statements have been prepared for the year ended 30 September 2022.

Other than the Daily Mail, The Mail on Sunday, Metro and the 'i' businesses whose accounts have been prepared to 2 October 2022, the Group prepares accounts for a year ending on 30 September. The Daily Mail, The Mail on Sunday, Metro and the 'i' businesses prepare financial statements for a 52 or 53 week period or for the period since acquisition if shorter, ending on a Sunday near to the end of September and do not prepare additional financial statements corresponding to the Group's financial year for consolidation purposes as it would be impracticable to do so. The Group considers whether there have been any significant transactions or events between the end of the financial year of these businesses and the end of the Group's financial year and makes any material adjustments as appropriate.

The significant accounting policies used in preparing this information are set out in Note 2.

The Group's financial statements incorporate the financial statements of the Company and all of its subsidiaries together with the Group's share of all of its interests in joint ventures and associates. The financial statements have been prepared on the historical cost basis, except for derivative financial instruments, hedged items, equity investments, contingent consideration, put options and the pension scheme surplus all of which are measured at fair value.

The Group presents the results from discontinued operations separately from those of continuing operations. An operation is classed as discontinued if it has been, or is in the process of being disposed and represents either a separate major line of business or a geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or exit a major geographical area of operations.

All amounts presented have been rounded to the nearest £0.1 million.

### Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Financial Review and the Strategic Report.

As set out in Notes 32 and 33 to the financial statements, the Company has long-term financing in the form of bonds and meets its day to day working capital requirements through cash balances and committed bank facilities which expire in May 2026, extendable at the bank's option for a further one-year period.

The Directors have reassessed the principal risks facing the Group and determined that there are no material uncertainties to disclose. In making their assessment of the Group's ability to continue as a going concern, the Directors have considered the projected performance of the Group and its financial resources after taking account of severe but plausible changes in trading performance. This assessment indicates that the Group is expected to operate as a going concern.

The Directors' assessment of the Group and Company's ability to continue as going concerns includes consideration of cash flow forecasts for the Group and the committed borrowing and debt facilities of the Group which were in place at 30 September 2022.

These forecasts include consideration of future trading performance, working capital requirements and the wider economy and include the modelling of a number of severe but plausible scenarios. The base case scenario reflects assumptions of minimal growth in 2023 as described in the Strategic Report.

The severe but plausible scenarios considered include the following:

- The impact of further cancellations in the Events and Exhibitions segment;
- The UK housing market operating at volumes at the floor of the functioning market in the Property Information segment; and
- A reduction in print advertising revenues and increases in newsprint prices offset by cost saving initiatives and price increases in the Consumer Media segment.

Accordingly, the Consolidated Financial Statements have been prepared on a going concern basis as the Directors have a reasonable expectation that the Group has adequate resources for a period of at least 12 months from the date of approval of these financial statements.

## 2 Significant 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.

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are not yet effective. These new pronouncements are listed below:

- Amendments to IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2, Making Materiality Judgements - effective 1 October 2023.
- Definition of Accounting Estimates (Amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors) - effective 1 October 2023.
- Amendments to IAS 12, Income Taxes - effective 1 October 2023.

The above amendments will not have a significant impact on the Group's Consolidated Financial Statements.

There have been no new IFRSs adopted during the year.

### Update on interest rate benchmark (IBOR) reform

During the prior year, the Directors considered the Group's exposures to IBOR and implemented the following changes to documentation and systems:

- An amendment to IBOR language within the Group's revolving credit facilities maturing in March 2023, to ensure a switch to risk-free rates (RFR) following cessation of the relevant IBOR; and
- A system upgrade of the Group's treasury management system to incorporate new day-count and compounding conventions required for RFR.

Subsequent to the prior year amendment of IBOR language in the Group's revolving credit facilities, on 6 May 2022 the Group renegotiated new facilities and terminated the facilities maturing in March 2023. The new facilities reference risk-free rates plus a margin. Further details are given in Note 32, Borrowings.

The prior period assessment of exposures to IBOR also identified the need to amend IBOR language within derivative contracts. Accordingly, during the period the Group amended all interest rate swap and cap contracts that previously referenced GBP LIBOR such that they now reference three month compounded Sterling Overnight Index Average (SONIA) plus a credit adjustment spread (CAS). This change was effective from the first floating interest rate reset after 1 January 2022. The Group also replaced its USD LIBOR cap with a new cap referencing three month compounded Secured Overnight Financing Rate (SOFR).

### Business combinations

The acquisition of subsidiaries and businesses is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in the Consolidated Income Statement as incurred.

Where the consideration for an acquisition includes any asset or liability resulting from a contingent arrangement, this is measured at its discounted fair value on the date of acquisition. Subsequent changes in fair values are adjusted through the Consolidated Income Statement in Net finance costs. Changes in the fair value of contingent consideration classified as equity is not recognised.

Put options granted to non-controlling interests are recorded at present value as a reduction in equity on initial recognition, since the arrangement represents a transaction with equity holders. Changes in present value after initial recognition are recorded in the Consolidated Income Statement in Net finance costs.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as at the date of the acquisition that, if known, would have affected the amounts recognised as at that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as at the acquisition date and is a maximum of one year.

### Business combinations achieved in stages

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the date the Group attains control and the resulting gain or loss is recognised in the Consolidated Income Statement. Amounts arising from interests in the acquiree prior to the acquisition date that were recognised in Other Comprehensive Income are reclassified to the Consolidated Income Statement where such treatment would be appropriate if the interest were disposed of.

# Financial Statements

## Notes to the accounts

### **Purchases and sales of shares in a controlled entity**

Where the Group's interest in a controlled entity increases, the non-controlling interests' share of net assets, excluding any allocation of goodwill, is transferred to retained earnings. Any difference between the cost of the additional interest and the existing carrying value of the non-controlling interests' share of net assets is recorded in retained earnings.

Where the Group's interest in a controlled entity decreases, but the Group retains control, the share of net assets disposed, excluding any allocation of goodwill, is transferred to the non-controlling interests. Any difference between the proceeds of the disposal and the existing carrying value of the net assets or liabilities transferred to the non-controlling interests is recorded in retained earnings.

### **Disposal of controlling interests where non-controlling interest retained**

Where the Group disposes of a controlling interest but retains a non-controlling interest in the business, the Group accounts for the disposal of a subsidiary and the subsequent acquisition of a joint venture, associate or financial assets at fair value through Other Comprehensive Income at fair value on initial recognition. On disposal of a subsidiary all amounts in cumulative translation reserves are recycled to the Consolidated Income Statement.

### **Contingent consideration receivable**

Where the consideration for a disposal includes consideration resulting from a contingent arrangement, the contingent consideration receivable is discounted to its fair value, with any subsequent movement in fair value being recorded in the Consolidated Income Statement in Net finance costs.

### **Discontinued operations**

The Group presents the results from discontinued operations separately from those of continuing operations. An operation is classed as discontinued if it has been, or is in the process of being disposed and represents either a separate major line of business or a geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or exit a major geographical area of operations.

### **Assets and liabilities of businesses held for sale**

An asset or disposal group is classified as held for sale if its carrying amount is intended to be recovered principally through sale rather than continuing use, is available for immediate sale and it is highly probable that the sale will be completed within 12 months of classification as held for sale. Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment is recognised in the Consolidated Income Statement and is first allocated to the goodwill associated with the disposal group and then to the remaining assets and liabilities on a pro rata basis. No further depreciation or amortisation is charged on non-current assets classified as held for sale from the date of classification.

### **Accounting for subsidiaries**

A subsidiary is an entity controlled by the Group. Control is achieved where the Group has power over an investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the returns.

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Income Statement from the effective date control is obtained or up to the date control is relinquished, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

### **Non-controlling interests**

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein, either at fair value or at the non-controlling interest's share of the net assets of the subsidiary, on a case-by-case basis. The total comprehensive income of a subsidiary is apportioned between the Group and the non-controlling interest, even if it results in a deficit balance for the non-controlling interest.

### **Interests in joint ventures and associates**

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The post-tax results of joint ventures and associates are incorporated in the Group's results using the equity method of accounting. Under the equity method, investments in joint ventures and associates are carried in the Consolidated Statement of Financial Position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint venture and associate, less any impairment in the value of investment. Losses of joint ventures and associates in excess of the Group's interest in that joint venture or associate are not recognised. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the joint venture or associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment.

### Foreign currencies

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of entities with a functional currency other than sterling are translated into sterling using exchange rates prevailing on the period end date.

Income and expense items and cash flows are translated at the average exchange rates for the period and exchange differences arising are recognised directly in equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the Consolidated Income Statement as part of the gain or loss on sale.

The Group records foreign exchange differences arising on retranslation of foreign operations within the translation reserve in equity.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the exchange rate prevailing on the date of the transaction. At each period end date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the period end date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing on the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the Consolidated Income Statement for the period.

Goodwill, intangible assets and fair value adjustments arising on the acquisition of foreign operations after transition to IFRS are treated as part of the assets and liabilities of the foreign operation and are translated at the closing rate. Goodwill which arose pre-transition to IFRS is not translated.

### Goodwill and intangible assets

Goodwill and intangible assets acquired arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Negative goodwill arising on an acquisition is recognised directly in the Consolidated Income Statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing exchange rates on the period end date. On disposal of a subsidiary, associate or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the Consolidated Income Statement on disposal.

### Impairment of goodwill

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units (CGUs). If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit, prorated on the basis of the carrying amount of each asset in the unit, but subject to not reducing any asset below its recoverable amount.

When testing for impairment, the recoverable amounts for all of the Group's CGUs are measured at the higher of value in use or fair value less costs to sell. Value in use is calculated by discounting future expected cash flows. These calculations use cash flow projections based on Board-approved budgets and forecasts which reflect the Directors' current experience and future expectations of the markets in which the CGU operates. Risk adjusted pre-tax discount rates used by the Group in its impairment tests range from 12.1% to 25.9% (2021 10.9% to 30.0%) the choice of rates depending on the risks specific to that CGU. The Directors' estimate of DMGT's post tax weighted average cost of capital is 12.0% (2021 7.5%). The cash flow projections consist of Board-approved budgets for the following year, together with forecasts for up to four additional years and nominal long-term growth rates beyond these periods. The nominal long-term (decline)/growth rates used range from -3.0% to 6.9% (2021 -3.0% to 4.0%) and varies with the Directors view of the CGU's market position, maturity of the relevant market and does not exceed the long-term average growth rate for the industry in which the CGU operates.

An impairment loss recognised for goodwill is charged immediately in the Consolidated Income Statement and is not subsequently reversed.

### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's development activity, including software for internal use, is recognised only if the asset can be separately identified, it is probable the asset will generate future economic benefits, the development cost can be measured reliably, the project is technically feasible and the project will be completed with a view to sell or use the asset. Additionally, guidance in Standing Interpretations Committee (SIC) 32 has been applied in accounting for internally developed website development costs.

Internally generated intangible assets are amortised on a straight-line basis over their estimated useful lives, when the asset is available for use, and are reported net of impairment losses. Where no internally generated intangible asset can be recognised, such development expenditure is charged to the Consolidated Income Statement in the period in which it is incurred.

# Financial Statements

## Notes to the accounts

### Licences

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised over their estimated useful lives, being three to five years.

Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that are expected to generate economic benefits exceeding costs and directly attributable overheads, are capitalised as intangible assets.

Computer software which is integral to a related item of hardware equipment is accounted for as property, plant and equipment. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

### Other intangible assets

Other intangible assets with finite lives are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to Operating Profit in the Consolidated Income Statement on a reducing balance or straight-line basis over the estimated useful lives of the intangible assets from the date they become available for use. The estimated useful lives are as follows:

Publishing rights, mastheads and titles	5 - 30 years
Brands	3 - 20 years
Market- and customer-related databases and customer relationships	3 - 20 years
Computer software	2 - 5 years

Amortisation of intangible assets not arising on business combinations is included within Adjusted Operating Profit in the Consolidated Income Statement.

The Group has no intangible assets with indefinite lives.

Software-as-a-Service (SaaS) arrangements represent service contracts which provide the Group with the right to access a cloud provider's application software over a contract period. Costs incurred to configure or customise, and any on-going fees to obtain access to the cloud provider's application software are recognised as an operating expense when the services are received.

These costs are capitalised as intangible assets and amortised over the useful life of the software if they represent the development of software code which enhances or modifies, or creates additional capability to existing on-premise systems and which meets the definition of and recognition criteria for an intangible asset under IAS 38, Intangible Assets.

### Impairment of intangible assets

At each period end date, reviews are carried out of the carrying amounts of intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of value in use and fair value less costs to sell, of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, value in use estimates are made based on the cash flows of the CGU to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its net carrying amount, the net carrying amount of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised immediately in the Consolidated Income Statement.

At the end of each reporting period the Group assesses whether there is any indication that an impairment loss recognised in prior periods, for an asset other than goodwill, may no longer exist or may have decreased. If any such indication exists, the Group estimates the recoverable amount of that asset. In assessing whether there is any indication that an impairment loss recognised in prior periods for an asset other than goodwill may no longer exist or may have decreased, the Group considers, as a minimum, the following indications:

- whether the asset's market value has increased significantly during the period;
- whether any significant changes with a favourable effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which the asset is dedicated; and
- whether market interest rates or other market rates of return on investments have decreased during the period, and those decreases are likely to affect the discount rate used in calculating the asset's value in use and increase the asset's recoverable amount materially.

### Property, plant and equipment

Land and buildings held for use are stated in the Consolidated Statement of Financial Position at their cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Assets in the course of construction are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are ready for their intended use. Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement.

Depreciation is charged so as to write off the cost of assets, other than property, plant and equipment under construction using the straight-line method, over their estimated useful lives as follows:

Freehold properties	50 years
Short leasehold properties	the term of the lease
Plant and equipment	3 - 25 years
Depreciation is not provided on freehold land or works of art	

#### Right of use assets

Right of use assets are depreciated over the shorter of the asset's useful economic life and the lease term on a straight-line basis.

#### Inventory

Inventory is stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The Group uses the Average Cost method in the Consumer Media segment for newsprint and the First In First Out method for all other inventories.

#### Exhibition, training and event costs

Directly attributable costs relating to future exhibition, training and events are deferred within work in progress and measured at the lower of cost and net realisable value. These costs are charged to the Consolidated Income Statement when the exhibition, training or event takes place.

#### Marketing costs

All marketing and promotional costs are charged to the Consolidated Income Statement in the period in which they are incurred. Direct event costs are charged to the Consolidated Income Statement.

#### Cash and cash equivalents

Cash and cash equivalents shown in the Consolidated Statement of Financial Position includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less and which are subject to insignificant changes in value. For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents are as defined above, net of bank overdrafts.

#### Revenue

Revenue is stated at the fair value of consideration, net of value added tax, trade discounts and commission where applicable and is recognised using methods appropriate for the Group's businesses.

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 when the control of performance obligations have been transferred.

The Consumer Media segment enters into agreements with advertising agencies and certain clients, which are subject to a minimum spend and typically include a commitment to deliver rebates to the agency or client based on the level of agency spend over the contract period.

The principal revenue performance obligations are:

- subscriptions revenue, including revenue from information services, is recognised over the period of the subscription or contract;
- circulation revenue is recognised on a sale or return basis at cover price less the contractual wholesaler and retail margins;
- publishing revenue is recognised on issue of the publication or report;
- advertising revenue is recognised on issue of the publication or over the period of the online campaign;
- contract print revenue is recognised on completion of the print contract;
- exhibitions, training and events revenues are recognised over the period of the event;
- software revenue is recognised on delivery of the software or the technology or over a period of time where the transaction is a licence (the licence term). If support is unable to be separately identified from hosting and revenue is unable to be allocated on a fair and reliable basis, support revenue is recognised over the licence term. Commissions paid to acquire software and services contracts are capitalised in prepayments and recognised over the term of the contract;
- support revenue associated with software licences and subscriptions is recognised over the term of the support contract.

# Financial Statements

## Notes to the accounts

### Adjusted measures

The Group presents adjusted operating profit and adjusted profit before tax adjusting for costs and profits which the Directors believe to be significant by virtue of their size, nature or incidence or which have a distortive effect on current year earnings.

In the Directors' judgement such items would include, but are not limited to, costs associated with business combinations, gains and losses on the disposal and closure of businesses and subsidiary undertakings, finance costs relating to premium on bond buy backs, fair value movements, exceptional operating costs, impairment of goodwill, intangible assets and property, plant and equipment and amortisation of intangible assets arising on business combinations.

The Board and management team believe these adjusted results, used in conjunction with statutory IFRS results, give a greater insight into the financial performance of the Group and the way it is managed. Similarly, adjusted results are used in setting management remuneration.

See Note 13 for a reconciliation of profit before tax to adjusted profit before and after tax.

The Group also presents a measure of net debt/cash in Note 15. In the judgement of the Directors this measure should include the currency gain or loss on derivatives entered into with the intention of economically converting the currency borrowings into an alternative currency.

### Other gains and losses

Other gains and losses comprise profit or loss on sale of property, plant and equipment, profit or loss on sale and closure of businesses and subsidiary undertakings, gain from bargain purchase and profit or loss on sale of joint ventures and associates.

### EBITDA

The Group discloses EBITDA, being adjusted operating profit before depreciation of property, plant and equipment and right of use assets and amortisation of assets not arising on business combinations. EBITDA is broadly used by analysts, rating agencies, investors and the Group's banks as part of their assessment of the Group's performance. A reconciliation of EBITDA from operating profit is shown in Note 14.

### Leases

The Group 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.

#### The Group as a lessee

Where the Group 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 Group, 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 Group 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 Group's incremental borrowing rate specific to the term, country, currency and start date of the lease.

The Group'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.

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 Group'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.

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

#### The Group as a lessor

Leases for which the Group 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 Group 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 Group'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 Group'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.

**Dividends**

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established. Dividends are recognised as a distribution in the period in which they are approved by the shareholders. Interim dividends are recorded in the period in which they are paid.

**Borrowing costs**

Unless capitalised under IAS 23, Borrowing Costs, all borrowing costs are recognised in the Consolidated Income Statement in the period in which they are incurred. Finance charges, including premiums paid on settlement or redemption and direct issue costs and discounts related to borrowings, are accounted for on an accruals basis and charged to the Consolidated Income Statement using the effective interest method.

**Retirement benefits**

Pension scheme assets are measured at market value at the period end date. Scheme liabilities are measured using the projected unit credit method and discounted at a rate reflecting current yields on high-quality corporate bonds having regard to the duration of the liability profiles of the schemes.

For defined benefit retirement plans, the difference between the fair value of the plan assets and the present value of the plan liabilities is recognised as an asset or liability on the Consolidated Statement of Financial Position. Actuarial gains and losses arising in the year are taken to the Consolidated Statement of Comprehensive Income. For this purpose, actuarial gains and losses comprise both the effects of changes in actuarial assumptions and experience adjustments arising because of differences between the previous actuarial assumptions and what has actually occurred. For defined benefit schemes, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out triennially. In accordance with the advice of independent qualified actuaries in assessing whether to recognise a surplus, the Group has regard to the principles set out in IFRIC 14.

Other movements in the net surplus or deficit are recognised in the Consolidated Income Statement, including the current service cost, any past service cost and the effect of any curtailment or settlements. The net finance income/(expense) is also charged to the Consolidated Income Statement within Net finance costs.

The Group's contributions to defined contribution pension plans are charged to the Consolidated Income Statement as they fall due.

**Taxation**

Income tax expense represents the sum of current tax and deferred tax for the year.

The current tax payable or recoverable is based on the taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated Income Statement because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Group's liability for current tax is calculated using the UK and foreign tax rates that have been enacted or substantively enacted by the period end date.

Current tax assets and liabilities are set off and stated net in the Consolidated Statement of Financial Position when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they either relate to income taxes levied by the same taxation authority or on the same taxable entity or on different taxable entities which intend to settle the current tax assets and liabilities on a net basis.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition other than in a business combination of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising in investments in subsidiaries, joint ventures and associates except where the Group 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.

Goodwill arising on business combinations also includes amounts corresponding to deferred tax liabilities recognised in respect of acquired intangible assets. A deferred tax liability is recognised to the extent that the fair value of the assets for accounting purposes exceeds the value of those assets for tax purposes and will form part of the associated goodwill on acquisition.

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.

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.

Deferred tax assets and liabilities are set off when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis.

# Financial Statements

## Notes to the accounts

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

Actual tax liabilities or refunds may differ from those anticipated due to changes in tax legislation, differing interpretations of tax legislation and uncertainties surrounding the application of tax legislation. In situations where uncertainties exist, provision is made for contingent tax liabilities and assets when it is more likely than not that there will be a cash impact. These provisions are made for each uncertainty individually on the basis of the Directors' judgement following consideration of the available relevant information. The measurement basis adopted represents the best predictor of the resolution of the uncertainty which is usually based on the most likely cash outflow. The Company reviews the adequacy of these provisions at the end of each reporting period and adjusts them based on changing facts and circumstances.

### Financial instruments

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

Financial assets and liabilities are offset and the net amount reported in the Consolidated 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 Group 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 lifetime expected credit losses.

Other receivables include loans which are held at the capital sum outstanding plus unpaid interest reduced by allowances for expected credit losses.

Estimates are used in determining the level of receivables that will not, in the opinion of the Directors, be collected. The Group applies the simplified approach permitted by IFRS 9, Financial Instruments, 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 Group believes there to be no reasonable expectation of recovery, after which the trade receivable or contract asset balance is written off.

### Financial assets at fair value through Other Comprehensive Income

Financial assets are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are measured at fair value, including transaction costs.

As permitted by IFRS 9, the Group classifies its equity investments at Fair Value through Other Comprehensive Income. All fair value movements are recorded in Other Comprehensive Income and gains and losses are not recycled to the Consolidated Income Statement on disposal.

Dividend income from Financial assets held at fair value through Other Comprehensive Income is recorded in the Consolidated Income Statement.

Unlisted equity investments are valued using a variety of approaches including comparable company valuation multiples and discounted cash flow techniques. In extremely limited circumstances, where insufficient recent information is available to measure fair value or when there is a wide range of possible fair value measurements, cost is used since this represents the best estimate of fair value in the range of possible valuations.

The fair value of listed equity investments is determined based on quoted market prices.

### Financial liabilities and equity instruments

#### Trade payables

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

Financial liabilities and equity instruments issued by the Group 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 Group after deducting all of its liabilities.

### Capital market and bank borrowings

Interest bearing loans and overdrafts are initially measured at fair value (which is equal to net proceeds at inception), and are subsequently measured at amortised cost, using the effective interest rate method. A portion of the Group's bonds are subject to fair value hedge accounting as explained below and this portion is adjusted for the movement in the hedged risk to the extent hedge effectiveness is achieved. Any difference between the proceeds, net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowing.

**Equity instruments**

Equity instruments issued by the Group are recorded at the proceeds received, net of transaction costs.

**Derecognition**

The Group derecognises a financial asset, or a portion of a financial asset, from the Consolidated 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 are derecognised when the liability has been settled, has expired or has been extinguished.

**Derivative financial instruments and hedge accounting**

Derivative financial instruments are used to manage exposure to market risks. The principal derivative instruments used by the Group are foreign currency swaps, interest rate swaps, foreign exchange forward contracts and options. The Group does not hold or issue derivative financial instruments for trading or speculative purposes.

Changes in the fair value of derivative instruments which do not qualify for hedge accounting are recognised immediately in the Consolidated Income Statement.

Where the derivative instruments do qualify for hedge accounting, the following treatments are applied:

**Fair value hedges**

Changes in the fair value of the hedging instrument are recognised in the Consolidated Income Statement for the year together with the changes in the fair value of the hedged item due to the hedged risk, to the extent the hedge is effective. When the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting, hedge accounting is discontinued.

**Cash flow hedges**

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the Consolidated Income Statement.

If a hedged firm commitment or forecast transaction results in the recognition of a non-financial asset or liability, then, at the time that the asset or liability is recognised, the associated gains and losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the Consolidated Income Statement in the same period in which the hedged item affects the Consolidated Income Statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, revoked, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss previously recognised in equity is included in the Consolidated Income Statement for the period.

**Net investment hedges**

Exchange differences arising from the translation of the net investment in foreign operations are recognised in the translation reserve. Gains and losses arising from changes in the fair value of the hedging instruments are recognised in equity to the extent that the hedging relationship is effective. Any ineffectiveness is recognised immediately in the Consolidated Income Statement for the period.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Gains and losses accumulated in the translation reserve are included in the Consolidated Income Statement on disposal of the foreign operation.

**Provisions**

Provisions are recognised when the Group has a present obligation, legal or constructive, as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the period end date and are discounted to present value where the effect is material.

Onerous contract provisions are recognised for losses on contracts where the forecast costs of fulfilling the contract throughout the contract period exceed the forecast income receivable. The provision is calculated based on cash flows to the end of the contract.

# Financial Statements

## Notes to the accounts

### Share-based payments

Prior to going private, the Group issued equity-settled and cash-settled share-based payments to certain Directors and employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured using a binomial pricing model which is calibrated using a Black-Scholes framework. The expected life used in the models has been adjusted, based on the Directors best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations.

A liability equal to the portion of the goods or services received is recognised at the current fair value determined at each period end date for cash-settled share-based payments.

### Investment in own shares

#### Treasury shares

Prior to going private, when the Company purchased its equity share capital as Treasury Shares, the consideration paid, including any directly attributable incremental costs (net of income taxes) was recorded as a deduction from shareholders' equity until such shares were cancelled, reissued or disposed of. Where such shares were subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, was recognised in equity, with any difference between the proceeds from the sale and the original cost being taken to retained earnings.

### Employee Benefit Trust

The Company established an Employee Benefit Trust (EBT) for the purpose of purchasing shares in order to satisfy outstanding share options and potential awards under long-term incentive plans. The assets of the EBT comprised shares in DMGT plc and cash balances. The EBT was administered by independent trustees and its assets were held separately from those of the Group. The Group bore the major risks and rewards of the assets held by the EBT until the shares vested unconditionally with employees. The Group recognised the assets and liabilities of the EBT in the Consolidated Financial Statements and shares held by the EBT were recorded at cost as a deduction from shareholders' equity. Consideration received for the sale of shares held by the EBT was recognised in equity, with any difference between the proceeds from the sale and the original cost being taken to retained earnings.

### Critical accounting judgements and key sources of estimation uncertainty

**In addition to the judgement taken by the Directors in selecting and applying the accounting policies set out above, the Directors have made the following judgements concerning the amounts recognised in the Consolidated Financial Statements:**

#### Adjusted measures

The Directors believe that the adjusted profit measure provides additional useful information to users of the Consolidated Financial Statements on the performance of the business. Accordingly, the Group presents adjusted operating profit and adjusted profit before tax by adjusting for costs and profits which the Directors judge to be significant by virtue of their size, nature or incidence or which have a distortive effect on current year earnings.

In the Directors' judgement such items would include, but are not limited to, costs associated with business combinations, gains and losses on the disposal of businesses and subsidiary undertakings, finance costs relating to premium on bond buy backs, fair value movements, exceptional operating costs, impairment of goodwill, intangible assets and property, plant and equipment and amortisation of intangible assets arising on business combinations.

Exceptional operating costs include items of a significant and a non-recurring nature. In addition, the Group presents an adjusted profit after tax measure by making adjustments for certain tax charges and credits which the Directors judge to be significant by virtue of their size, nature or incidence or which have a distortive effect. The Group uses these adjusted measures to evaluate performance and as a method to provide shareholders with clear and consistent reporting.

See Note 13 for a reconciliation of profit before tax to adjusted profit before and after tax.

The Group also presents a measure of net debt/cash. In the judgement of the Directors this measure should include the currency gain or loss on derivatives entered into with the intention of economically converting the currency borrowings into an alternative currency. See Note 15 for further detail.

### Retirement benefits

When a surplus on a defined benefit pension scheme arises, the Directors are required to consider the rights of the Trustees in preventing the Group from obtaining a refund of that surplus in the future. Where the Trustees are able to exercise this right, the Group would be required to restrict the amount of surplus recognised.

After considering the principles set out in IFRIC 14, the Directors have judged it appropriate to recognise a surplus of £1,009.2 million (2021 £303.1 million) and report a net surplus on its pension schemes amounting to £1,009.2 million (2021 £295.1 million).

### Mail Force Charitable Incorporated Organisation (CIO)

The Group established the Mail Force CIO in a prior year. The Group has assessed its relationship with the charity in accordance with IFRS 10, Consolidated Financial Statements and concluded that it does not have the power to affect returns to the Group from the Charity's activities and does not control Mail Force. Accordingly Mail Force's accounts have not been consolidated within the Group's financial statements.

**The following represent key sources of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements:**

#### Forecasting

The Group prepares medium-term forecasts based on Board-approved budgets and four-year outlooks. These are used to support estimates made in the preparation of the Group's financial statements including the recognition of deferred tax assets in different jurisdictions, the Group's going concern and viability assessments and for the purposes of impairment reviews. Longer-term forecasts use long-term growth rates applicable to the relevant businesses. See Note 20 for a sensitivity assessment of these long-term growth rates on the carrying values of certain of the Group's goodwill and intangible assets.

#### Impairment of goodwill and intangible assets

Determining whether goodwill and intangible or other assets are impaired or whether a reversal of an impairment should be recorded requires a comparison of the balance sheet carrying value with the recoverable amount of the asset or CGU. The recoverable amount is the higher of the value in use and fair value less costs to sell.

The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the asset or CGU including an assessment of climate change on the applicable businesses and calculate the net present value of these cash flows using a suitable discount rate. The key areas of estimation are the long-term growth rate, operating cash flows, and the discount rate applied to those cash flows.

#### Taxation

Being a multinational Group with tax affairs in many geographic locations inherently leads to a highly complex tax structure which makes the degree of estimation more challenging. The resolution of issues is not always within the control of the Group and actual tax liabilities or refunds may differ from those anticipated due to changes in tax legislation, differing interpretations of tax legislation and uncertainties surrounding the application of tax legislation. Such issues can take several years to resolve.

The Group accounts for unresolved issues based on its best estimate of the final outcome, however the inherent uncertainty regarding these items means that the eventual resolution could differ significantly from the accounting estimates and, therefore, impact the Group's results and future cash flows. In situations where uncertainties exist, provision is made for contingent tax liabilities and assets when it is more likely than not that there will be a cash impact. These provisions are made for each uncertainty individually based on the Directors' estimates following consideration of the available relevant information. The measurement basis adopted represents the best predictor of the resolution of the uncertainty which is usually based on the most likely cash outflow. The Company reviews the adequacy of these provisions at the end of each reporting period and adjusts them based on changing facts and circumstances.

In addition, the Group makes estimates regarding (i) the recoverability of deferred tax assets relating to losses based on forecasts of future taxable profits which are, by their nature, uncertain; and (ii) the amount of the pension scheme surplus that might be returned to the Group, thereby impacting the level of deferred tax liability arising thereon. See Note 36 for further information concerning recognised and unrecognised deferred tax assets and deferred tax liabilities.

#### Retirement benefits

The cost of defined benefit pension plans is determined using actuarial valuations prepared by the Group's actuaries. This involves making certain assumptions concerning discount rates, future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. The assumptions and the resulting estimates are reviewed annually and, when appropriate, changes are made which affect the actuarial valuations and, hence, the amount of retirement benefit expense recognised in the Consolidated Income Statement and the amounts of actuarial gains and losses recognised in the Consolidated Statement of Changes in Equity.

The fair value of the Group's pension scheme assets includes quoted and unquoted investments. The value of unquoted investments are estimated as their values are not directly observable. Accordingly the assumptions used in valuing unquoted investments are affected by current market conditions and trends which could result in changes in their fair value after the measurement date. A 1.0% movement in the value of unquoted pension scheme assets is estimated to change the value of the Group's pension scheme assets by £17.9 million (2021 £22.8 million).

The carrying amount of the retirement benefit obligation at 30 September 2022 was a surplus of £1,009.2 million (2021 £295.1 million). The assumptions used and the associated sensitivity analysis can be found in Note 34.

# Financial Statements

## Notes to the accounts

### Legal claim provisions

DMGT and certain of its subsidiaries are involved in various lawsuits and claims which arise in the course of business. The Group records a provision for these matters when it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated.

The amounts accrued for legal contingencies often result from complex judgements about future events and uncertainties that rely heavily on estimates and assumptions.

As disclosed in Note 18 Discontinued operations, Genscape has been involved in a dispute with the US Environmental Protection Agency (EPA) since 2016. In 2017 Genscape voluntarily paid a 2.0% liability cap associated with invalid Renewable Identification Numbers (RINs) at a cost of US\$1.3 million, based on the then-prevailing market rates, subject to a reservation of rights. However, during 2019 the EPA ordered Genscape to replace 69.2 million additional RINs it had verified.

During the period a settlement agreement was reached with the EPA whereby the Company without admitting any wrongdoing, will replace 24 million RINs over a four-year period.

At each period end IAS 37, Provisions, Contingent Liabilities and Contingent Assets requires DMGT to review this provision and make appropriate adjustments to reflect the current status of the claim. The Group's closing provision includes the cost of replacement RINs, estimated purchase costs, associated legal fees and currency fluctuations. The final settlement amount may be different than the provision made, however, it is not possible for the Group to predict with any certainty the potential impact of this litigation or to quantify the ultimate cost of a verdict or resolution. Accordingly, the provision could change substantially over time.

RINs trade in a volatile range. Using the period end price of US\$1.74 compared to the estimated future forecast price of US\$1.51 replacing the 24 million RINs would increase the provision by approximately US\$3.1 million (£2.7 million).

### 3 Segment analysis

The Group's business activities are split into three continuing operating divisions: Property Information, Events and Exhibitions and Consumer Media. These divisions are the basis on which information is reported to the Group's Chief Operating Decision Maker, which has been determined to be the Group Board. The segment result is the measure used for the purposes of resource allocation and assessment and represents profit earned by each segment, including share of results from joint ventures and associates but before exceptional operating costs, amortisation of acquired intangible assets arising on business combinations, impairment charges, other gains and losses, net finance costs and taxation.

The accounting policies applied in preparing the management information for each of the reportable segments are the same as the Group's accounting policies described in Note 2.

Year ended 30 September 2022	Note	Total and external revenue £m	Segment operating profit/(loss) £m	Loss operating (loss)/profit of joint ventures and associates £m	Adjusted operating profit/(loss) £m
Property Information		216.9	33.4	0.9	32.5
Events and Exhibitions		99.5	8.9	-	8.9
Consumer Media		657.6	52.0	-	52.0
		974.0	94.3	0.9	93.4
Corporate costs		-	(41.5)	(6.9)	(34.6)
		974.0			
<b>Adjusted operating profit</b>					<b>58.8</b>
Exceptional operating costs					(79.9)
Impairment of goodwill and acquired intangible assets arising on business combinations	20, 21				(9.3)
Amortisation of acquired intangible assets arising on business combinations	21				(11.3)
<b>Operating loss before share of results and impairment of joint ventures and associates</b>					<b>(41.7)</b>
Share of results of joint ventures and associates	7				(6.4)
Impairment of carrying value of associates and loans to associates	7				(38.9)
<b>Total operating loss</b>					<b>(87.0)</b>
Other gains and losses	8				30.8
<b>Loss before investment revenue, net finance costs and tax</b>					<b>(56.2)</b>
Investment revenue	9				2.8
Finance expense	10				(30.4)
Finance income	10				23.7
<b>Loss before tax</b>					<b>(60.1)</b>
Tax	11				(85.6)
Profit from discontinued operations	18				11.6
<b>Loss for the year</b>					<b>(134.1)</b>

# Financial Statements

## Notes to the accounts

An analysis of the amortisation and impairment of goodwill and intangible assets, exceptional operating costs by segment is as follows:

Year ended 30 September 2022	Note	Amortisation of intangible assets not arising on business combinations	Amortisation of intangible assets arising on business combinations	Impairment of goodwill and intangible assets arising on business combinations	Exceptional operating costs
		(Note 21) £m	(Note 21) £m	(Notes 20, 21) £m	£m
Property Information		(3.9)	(5.3)	-	(0.4)
Events and Exhibitions		-	0.1	(0.8)	-
Energy Information		-	-	-	(11.2)
Consumer Media		-	(6.1)	(8.5)	(22.4)
		(3.9)	(11.3)	(9.3)	(34.0)
Corporate costs		(0.4)	-	-	(57.1)
		(4.3)	(11.3)	(9.3)	(91.1)
Relating to discontinued operations	18	-	-	-	11.2
<b>Continuing operations</b>		<b>(4.3)</b>	<b>(11.3)</b>	<b>(9.3)</b>	<b>(79.9)</b>

The Group's exceptional operating (costs)/income which have been disclosed separately due to their size, nature and incidence are analysed in the table below. The Directors believe this presentation provides users of these accounts with clear and consistent reporting:

Year ended 30 September 2022	Note	Severance and closure costs	LTIP	Pension past service credit	Professional fees and claims	Total
		(i) £m	(ii) £m	(iii) £m	(iv) £m	£m
Property Information		(0.4)	-	-	-	(0.4)
Energy Information		-	-	-	(11.2)	(11.2)
Consumer Media		(18.8)	(15.0)	11.4	-	(22.4)
		(19.2)	(15.0)	11.4	(11.2)	(34.0)
Corporate costs		(15.1)	(43.2)	6.4	(5.2)	(57.1)
		(34.3)	(58.2)	17.8	(16.4)	(91.1)
Relating to discontinued operations	18	-	-	-	11.2	11.2
<b>Continuing operations</b>		<b>(34.3)</b>	<b>(58.2)</b>	<b>17.8</b>	<b>(5.2)</b>	<b>(79.9)</b>

- (i) Following the prior years disposals of the Euromoney, Energy Information, EdTech and Insurance Risk segments, the Group is no longer operating at the scale it was before these disposals. Accordingly the Group has begun a review of its support functions. This has resulted in the loss of certain roles and functions which are no longer necessary as a consequence of the reduced size of the Group and the Company's delisting.
- (ii) During the year Rothermere Continuation Limited (RCL) acquired all of the issued DMGT A Shares not already owned by RCL. Following this transaction, certain of the Group's equity settled long term incentive plan (LTIP) arrangements early vested subject to pro-rata vesting and have been replaced or are expected to be replaced with cash settled awards.

Where an equity settled LTIP is cancelled, IFRS 2, Share-based Payment requires this is treated as an acceleration of the original vesting period. The impact of this acceleration results in non-cash LTIP charges being charged against profits of the current period which normally would have been charged against profits of future periods.

These accelerated charges have been treated as exceptional operating costs.

- (iii) The pension past service credit represents a non-cash reduction in the Group's Pension Scheme liabilities following the acceptance of a Pension Increase Exchange option by certain members of the Harmsworth Pension Scheme and Senior Executive Pension Fund during the year.
- (iv) Professional fees include costs in relation to the advice relating to the offer by Rothermere Continuation Limited (RCL) for the issued DMGT A Shares not already owned by RCL.

The Group's tax charge includes net charges of £19.3 million in relation to these exceptional operating costs, including charges of £29.9 million in respect of the pension scheme and credits of £7.3 million in respect of severance and closure costs and £3.3 million in respect of LTIP. None of these net tax charges relates to discontinued operations.

An analysis of the depreciation of right of use assets and property, plant and equipment, investment revenue, other gains and losses and finance income and expense by segment is as follows:

		Depreciation of right of use assets (Note 23)	Depreciation of property, plant and equipment (Note 22)	Investment revenue (Note 9)	Other gains and losses (Note 8)	Finance income (Note 10)	Finance expense (Note 10)
Year ended 30 September 2022	Note	£m	£m	£m	£m	£m	£m
Insurance Risk		-	-	-	2.7	-	-
Property Information		(1.9)	(1.4)	-	7.3	-	(0.4)
Events and Exhibitions		(0.7)	-	-	-	-	(0.1)
Consumer Media		(11.2)	(14.6)	-	(0.9)	7.6	(0.5)
		(13.8)	(16.0)	-	9.1	7.6	(1.0)
Corporate costs		-	(0.3)	2.8	24.4	16.1	(29.4)
		(13.8)	(16.3)	2.8	33.5	23.7	(30.4)
Relating to discontinued operations	18	-	-	-	(2.7)	-	-
Continuing operations		(13.8)	(16.3)	2.8	30.8	23.7	(30.4)

	Note	Total and external revenue £m	Segment operating profit/(loss) £m	Less operating (loss)/profit of joint ventures and associates £m	Adjusted operating profit/(loss) £m
Year ended 30 September 2021					
Insurance Risk		223.0	39.4	(0.1)	39.5
Property Information		227.1	44.7	1.2	43.5
EdTech		33.5	1.1	-	1.1
Events and Exhibitions		34.4	0.4	-	0.4
Consumer Media		623.8	59.7	-	59.7
		1,141.8	145.3	1.1	144.2
Corporate costs		-	(42.3)	(4.2)	(38.1)
Discontinued operations	18	(256.5)	(40.5)	0.1	(40.6)
		885.3			
<b>Adjusted operating profit</b>					<b>65.5</b>
Exceptional operating costs, impairment of internally generated and acquired computer software					(33.4)
Impairment of goodwill and acquired intangible assets arising on business combinations	20, 21				(13.0)
Amortisation of acquired intangible assets arising on business combinations	18, 21				(15.2)
<b>Operating profit before share of results and impairment of joint ventures and associates</b>					<b>3.9</b>
Share of results of joint ventures and associates	7				(3.3)
Impairment of carrying value of associates and loans to associates	7				(6.5)
<b>Total operating loss</b>					<b>(5.9)</b>
Other gains and losses	8				14.3
<b>Profit before investment revenue, net finance costs and tax</b>					<b>8.4</b>
Investment revenue	9				2.3
Finance expense	10				(15.6)
Finance income	10				2.5
<b>Loss before tax</b>					<b>(2.4)</b>
Tax	11				62.2
Profit from discontinued operations	18				1,480.1
<b>Profit for the year</b>					<b>1,539.9</b>

# Financial Statements

## Notes to the accounts

An analysis of the amortisation and impairment of goodwill and intangible assets, exceptional operating costs by segment is as follows:

Year ended 30 September 2021	Note	Amortisation of intangible assets not arising on business combinations (Note 21) £m	Amortisation of intangible assets arising on business combinations (Note 21) £m	Impairment of goodwill and intangible assets arising on business combinations (Notes 20, 21) £m	Exceptional operating (costs)/Income £m
Insurance Risk		(0.1)	-	-	-
Property Information		(4.5)	(5.7)	-	(0.6)
EdTech		(3.0)	(0.2)	-	-
Events and Exhibitions		(0.1)	(4.3)	(13.0)	-
Energy Information		-	-	-	(5.3)
Consumer Media		(0.4)	(5.2)	-	(1.8)
		(8.1)	(15.4)	(13.0)	(7.7)
Corporate costs		(1.4)	-	-	(31.0)
		(9.5)	(15.4)	(13.0)	(38.7)
Relating to discontinued operations	18	3.1	0.2	-	5.3
Continuing operations		(6.4)	(15.2)	(13.0)	(33.4)

The Group's exceptional operating (costs)/income are analysed as follows:

Year ended 30 September 2021	Note	Severance and other closure costs £m	LTIP (I) £m	Professional fees and claims (II) £m	Total £m
Property Information		(0.1)	-	(0.5)	(0.6)
Energy Information		-	-	(5.3)	(5.3)
Consumer Media		0.6	(2.4)	-	(1.8)
		0.5	(2.4)	(5.8)	(7.7)
Corporate costs		-	(13.5)	(17.5)	(31.0)
		0.5	(15.9)	(23.3)	(38.7)
Relating to discontinued operations	18	-	-	5.3	5.3
Continuing operations		0.5	(15.9)	(18.0)	(33.4)

- (i) During the year ended 30 September 2018, the Group sold its investment in ZPG Plc (ZPG) resulting in a profit on sale of £508.4 million and during the year ended 30 September 2019 the Group disposed of its investment in Euromoney Institutional Investor PLC (Euromoney). During the year ended 30 September 2021 Cazoo successfully listed on the New York Stock Exchange (NYSE) and the Group disposed of its Insurance Risk segment (RMS). As a direct consequence of these transactions the value of the DMGT Long Term Incentive Plans (LTIPs) are estimated to have increased by £35.8 million. As the LTIPs include a service period condition, IFRS 2, Share-based Payment requires the LTIP charge to be spread over the service period until the award vests. The LTIP charge recognised in the period, which relates to the disposals of Euromoney and RMS and of Cazoo's NYSE listing amounts to £15.9 million. Since the profit on sale of RMS and the capital benefit of the Euromoney disposal and Cazoo listing are excluded from our adjusted profit measure, the incremental increase in the LTIP charge was treated as an adjusting item.
- (ii) Professional fees and claims include costs in respect of restructuring advice relating to the offer by Rothermere Continuation Limited (RCL) to purchase the issued DMGT A Shares not already owned by RCL.

The Group's tax credit includes £2.8 million in relation to these exceptional operating costs of which a charge of £0.4 million relates to discontinued operations.

An analysis of the depreciation of right of use assets and property, plant and equipment, research costs, investment revenue, other gains and losses and finance income and expense by segment is as follows:

Year ended 30 September 2021	Note	Depreciation of right of use assets (Note 23) £m	Depreciation of property, plant and equipment (Note 22) £m	Research costs £m	Investment revenue (Note 9) £m	Other gains and losses (Note 8) £m	Finance income (Note 10) £m	Finance expense (Note 10) £m
Insurance Risk		(5.6)	(3.9)	(27.6)	0.2	1,319.6	-	(2.0)
Property Information		(2.0)	(1.5)	-	-	9.2	-	(0.4)
EdTech		(0.5)	(0.1)	-	-	230.6	-	(0.1)
Events and Exhibitions		(0.7)	(0.1)	-	-	(0.2)	-	(0.2)
Energy Information		-	-	-	-	1.0	-	-
Consumer Media		(11.5)	(14.8)	(0.2)	-	3.9	1.7	(0.7)
		(20.3)	(20.4)	(27.8)	0.2	1,564.1	1.7	(3.4)
Corporate costs		-	(0.6)	-	2.3	1.4	0.8	(14.3)
		(20.3)	(21.0)	(27.8)	2.5	1,565.5	2.5	(17.7)
Relating to discontinued operations	18	6.1	4.0	27.6	(0.2)	(1,551.2)	-	2.1
Continuing operations		(14.2)	(17.0)	(0.2)	2.3	14.3	2.5	(15.6)

The Group's revenue comprises sales excluding value added tax, less discounts and commission where applicable and is analysed as follows:

	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022			
	Total	Total Point in time	Total Over time	Discontinued operations Total (Note 18)	Discontinued operations Point in time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Print advertising	129.0	129.0	-	-	-	-	129.0	129.0	-
Digital advertising	170.9	5.6	165.3	-	-	-	170.9	5.6	165.3
Circulation	257.6	257.6	-	-	-	-	257.6	257.6	-
Subscriptions and recurring licences	99.6	4.1	95.5	-	-	-	99.6	4.1	95.5
Events, conferences and training	99.4	99.2	0.2	-	-	-	99.4	99.2	0.2
Transactions and other	217.5	160.3	57.2	-	-	-	217.5	160.3	57.2
	974.0	655.8	318.2	-	-	-	974.0	655.8	318.2

# Financial Statements

## Notes to the accounts

	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021
Total	Total	Total	Discontinued operations Total (Note 18)	Discontinued operations Point In time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time	
£m	£m	£m	£m	£m	£m	£m	£m	£m	
Print advertising	113.2	113.2	-	-	-	113.2	113.2	-	
Digital advertising	172.7	5.3	167.4	-	-	172.7	5.3	167.4	
Circulation	262.6	262.6	-	-	-	262.6	262.6	-	
Subscriptions and recurring licences	324.0	0.6	323.4	243.6	0.4	243.2	80.4	0.2	
Events, conferences and training	34.9	34.7	0.2	0.4	0.4	-	34.5	34.3	
Transactions and other	234.4	224.4	10.0	12.5	12.5	-	221.9	211.9	
	1,141.8	640.8	501.0	256.5	13.3	243.2	885.3	627.5	

### By geographic area

The majority of the Group's operations are located in the United Kingdom and North America. The analysis of Group revenue below is based on the location of group companies in these regions.

	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022
Total	Total	Total	Discontinued operations Total (Note 18)	Discontinued operations Point in time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time	
£m	£m	£m	£m	£m	£m	£m	£m	£m	
UK	820.2	572.5	247.7	-	-	-	820.2	572.5	
North America	73.7	15.5	58.2	-	-	-	73.7	15.5	
Rest of the World	80.1	67.8	12.3	-	-	-	80.1	67.8	
	974.0	655.8	318.2	-	-	-	974.0	655.8	

	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021
Total	Total	Total	Discontinued operations Total (Note 18)	Discontinued operations Point in time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time	
£m	£m	£m	£m	£m	£m	£m	£m	£m	
UK	777.6	582.4	195.2	-	-	-	777.6	582.4	
North America	317.7	23.6	294.1	256.5	13.3	243.2	61.2	10.3	
Rest of the World	46.5	34.8	11.7	-	-	-	46.5	34.8	
	1,141.8	640.8	501.0	256.5	13.3	243.2	885.3	627.5	

The analysis of Group revenue below is based on the geographic location of customers in these regions.

	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022			
	Total	Total Point in time	Total Over time	Discontinued operations Total (Note 18)	Discontinued operations Point in time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time
	£m	£m	£m	£m	£m	£m	£m	£m	£m
UK	590.3	549.6	40.7	-	-	-	590.3	549.6	40.7
North America	209.7	26.3	183.4	-	-	-	209.7	26.3	183.4
Rest of the World	174.0	79.9	94.1	-	-	-	174.0	79.9	94.1
	<b>974.0</b>	<b>655.8</b>	<b>318.2</b>	-	-	-	<b>974.0</b>	<b>655.8</b>	<b>318.2</b>

	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021			
	Total	Total Point in time	Total Over time	Discontinued operations Total (Note 18)	Discontinued operations Point in time (Note 18)	Discontinued operations Over time (Note 18)	Continuing operations Total	Continuing operations Point in time	Continuing operations Over time
	£m	£m	£m	£m	£m	£m	£m	£m	£m
UK	698.0	572.9	125.1	43.6	1.9	41.7	654.4	571.0	83.4
North America	299.6	21.5	278.1	159.7	9.4	150.3	139.9	12.1	127.8
Rest of the World	144.2	46.4	97.8	53.2	2.0	51.2	91.0	44.4	46.6
	<b>1,141.8</b>	<b>640.8</b>	<b>501.0</b>	<b>256.5</b>	<b>13.3</b>	<b>243.2</b>	<b>885.3</b>	<b>627.5</b>	<b>257.8</b>

The closing net book value of goodwill, intangible assets, property, plant and equipment and right of use assets is analysed by geographic area as follows:

	At 30 September 2022	At 30 September 2021	At 30 September 2022	At 30 September 2021	At 30 September 2022	At 30 September 2021	At 30 September 2022	At 30 September 2021	At 30 September 2021
	Closing net book value of property, plant and equipment (Note 22) £m	Closing net book value of property, plant and equipment (Note 22) £m	Closing net book value of right of use assets (Note 23) £m	Closing net book value of right of use assets (Note 23) £m	Closing net book value of goodwill (Note 20) £m	Closing net book value of goodwill (Note 20) £m	Closing net book value of intangible assets (Note 21) £m	Closing net book value of intangible assets (Note 21) £m	Closing net book value of intangible assets (Note 21) £m
UK	46.4	51.6	14.7	17.0	164.3	172.8	79.2	91.7	91.7
North America	3.4	3.4	12.4	13.2	24.5	24.9	0.1	0.2	0.2
Rest of the World	0.4	0.4	4.2	4.5	12.7	10.4	0.1	1.1	1.1
	<b>50.2</b>	<b>55.4</b>	<b>31.3</b>	<b>34.7</b>	<b>201.5</b>	<b>208.1</b>	<b>79.4</b>	<b>93.0</b>	<b>93.0</b>

The additions to non-current assets are analysed as follows:

	Year ended 30 September 2022	Year ended 30 September 2021	Year ended 30 September 2022	Year ended 30 September 2021	Year ended 30 September 2022	Year ended 30 September 2021	Year ended 30 September 2022	Year ended 30 September 2021
	Property, plant and equipment (Note 22) £m	Property, plant and equipment (Note 22) £m	Right of use assets (Note 23) £m	Right of use assets (Note 23) £m	Goodwill (Note 20) £m	Goodwill (Note 20) £m	Intangible assets (Note 21) £m	Intangible assets (Note 21) £m
Insurance Risk	-	1.1	-	7.7	-	-	-	-
Property Information	0.6	0.6	1.8	0.1	-	(0.7)	3.9	5.2
EdTech	-	0.2	-	-	-	-	-	1.5
Events and Exhibitions	-	-	0.7	0.8	-	-	-	-
Consumer Media	8.1	17.2	8.7	11.0	0.2	46.3	0.4	35.7
	<b>8.7</b>	<b>19.1</b>	<b>11.2</b>	<b>19.6</b>	<b>0.2</b>	<b>45.6</b>	<b>4.3</b>	<b>42.4</b>
Corporate costs	1.2	0.5	-	-	-	-	-	-
	<b>9.9</b>	<b>19.6</b>	<b>11.2</b>	<b>19.6</b>	<b>0.2</b>	<b>45.6</b>	<b>4.3</b>	<b>42.4</b>

# Financial Statements

## Notes to the accounts

### 4 Operating (loss)/profit before the share of results and impairment of joint ventures and associates

Operating (loss)/profit before the share of results and impairment of joint ventures and associates is further analysed as follows:

	Note	Year ended 30 September 2022 Total £m	Year ended 30 September 2022 Discontinued operations (Note 18) £m	Year ended 30 September 2022 Continuing operations £m	Year ended 30 September 2021 Total £m	Year ended 30 September 2021 Discontinued operations (Note 18) £m	Year ended 30 September 2021 Continuing operations £m
<b>Revenue</b>		<b>974.0</b>	-	<b>974.0</b>	1,141.8	256.5	885.3
Increase/(decrease) in stocks of finished goods and work in progress		8.4	-	8.4	(1.5)	(1.8)	0.3
Raw materials, consumables and direct staff costs		(256.8)	-	(256.8)	(179.0)	-	(179.0)
<b>Inventories recognised as an expense in the year</b>		<b>(248.4)</b>	-	<b>(248.4)</b>	(180.5)	(1.8)	(178.7)
Staff costs		(395.6)	-	(395.6)	(489.7)	(155.7)	(334.0)
Impairment of goodwill and intangible assets	3	(9.3)	-	(9.3)	(13.0)	-	(13.0)
Amortisation of intangible assets arising on business combinations	3	(11.3)	-	(11.3)	(15.4)	(0.2)	(15.2)
Amortisation of internally generated and acquired computer software not arising on business combinations	3	(4.3)	-	(4.3)	(9.5)	(3.1)	(6.4)
Promotion and marketing costs		(26.5)	-	(26.5)	(26.9)	(1.9)	(25.0)
Venue and delegate costs		(32.2)	-	(32.2)	(9.3)	-	(9.3)
Editorial and production costs		(55.1)	-	(55.1)	(84.3)	-	(84.3)
Distribution and transportation costs		(35.6)	-	(35.6)	(32.7)	(0.1)	(32.6)
Royalties and similar charges		(15.2)	-	(15.2)	(18.7)	(3.6)	(15.1)
Depreciation of property, plant and equipment	3	(16.3)	-	(16.3)	(21.0)	(4.0)	(17.0)
Depreciation of right of use assets	3	(13.8)	-	(13.8)	(20.3)	(6.1)	(14.2)
Other property costs		(30.2)	-	(30.2)	(26.5)	(1.8)	(24.7)
Rental of venue space		(12.6)	-	(12.6)	(5.5)	-	(5.5)
Foreign exchange translation differences		3.8	-	3.8	(1.2)	-	(1.2)
Net credit losses on financial assets		(0.3)	-	(0.3)	(1.5)	(0.1)	(1.4)
Low-value asset lease expense		(1.1)	-	(1.1)	(1.7)	(0.6)	(1.1)
Other expenses		(122.9)	(11.2)	(111.7)	(145.1)	(42.4)	(102.7)
<b>Operating (loss)/profit before share of results and impairment of joint ventures and associates</b>		<b>(52.9)</b>	<b>(11.2)</b>	<b>(41.7)</b>	39.0	35.1	3.9

### 5 Auditor's remuneration

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Fees payable to the Company's Auditor for the audit of the Company's annual accounts	0.8	1.1
for the audit of the Company's subsidiaries	0.8	1.3
Audit services provided to all Group companies	1.6	2.4
Audit-related assurance services	-	0.3
Assurance services	0.1	0.3
Total non-audit services	0.1	0.6
Total remuneration	1.7	3.0

## 6 Directors and Employees

The average monthly number of persons employed by the Group including Directors is analysed as follows:

	Note	Year ended 30 September 2022 Number	Year ended 30 September 2021 Number
Insurance Risk	(i)	-	1,417
Property Information		1,020	996
EdTech	(i)	-	390
Events and Exhibitions		368	315
Consumer Media		2,634	2,716
Corporate costs		47	65
		<b>4,069</b>	<b>5,899</b>

- (i) The prior year represents the average monthly number of persons employed in the Insurance Risk segment for the period ended 15 September 2021 and in the EdTech segment for the period ended 2 March 2021 when these segments were disposed.

The total average number of persons employed by the Group in the year, for the purposes of calculating an average cost per employee, is 4,069 (2021 5,683).

Total staff costs comprised:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Wages and salaries		315.5	409.7
Share-based payments	38, 41	58.8	40.1
Social security costs		31.2	39.8
Pension costs		11.7	12.2
		<b>417.2</b>	<b>501.8</b>

Total Directors' remuneration comprised:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Aggregate emoluments	6.8	8.5
Aggregate pension allowances	0.7	1.0
Aggregate gains made on exercise of share options	19.2	25.0
	<b>26.7</b>	<b>34.5</b>

During the year, the Company paid four (2021 four) Executive Directors (EDs) and eight (2021 eight) Non-Executive Directors (NEDs) for their services.

All four EDs made gains on the exercise of share options in the current and prior periods.

The total remuneration of the highest paid Director in the period was £8.4 million (2021 £11.0 million) analysed as follows:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Aggregate emoluments	2.3	2.5
Aggregate pension allowances	0.3	0.3
Aggregate gains made on exercise of share options	5.8	8.2
	<b>8.4</b>	<b>11.0</b>

# Financial Statements

## Notes to the accounts

### 7 Share of results and impairment of joint ventures and associates

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Share of adjusted operating profits from operations of joint ventures		0.9	1.0
Share of adjusted operating losses from operations of associates		(6.8)	(4.1)
Share of adjusted operating losses from joint ventures and associates		(5.9)	(3.1)
Share of associates' other gains	13	0.1	0.1
Share of amortisation of intangibles arising on business combinations of associates	13	(0.1)	(0.1)
Share of associates' interest payable		(0.3)	(0.1)
Share of joint ventures' tax	11, 13	(0.2)	(0.1)
Impairment of carrying value of associates	13, 24, (i)	(30.7)	(6.5)
Impairment of carrying value of loans to associates	13, 28, (ii)	(8.2)	-
Share of results of joint ventures and associates and impairment of carrying value of associates and loans to associates		(45.3)	(9.8)
Share of results from operations of joint ventures	24	0.7	0.9
Share of results from operations of associates	18, 24	(7.1)	(4.2)
		(6.4)	(3.3)
Impairment of carrying value of associates	24	(30.7)	(6.5)
Impairment of carrying value of loans to associates	28	(8.2)	-
		(38.9)	(6.5)
Share of results of joint ventures and associates and impairment of carrying value of associates and loans to associates		(45.3)	(9.8)

- (i) During the current year, this represents a write-down in the carrying value of Factory 14 S.a.r.l amounting to £3.0 million and Yopa Property Ltd amounting to £27.7 million both held centrally in light of current trading conditions. During the prior year, this represents a £1.7 million write-down in the carrying value of Entale Media Ltd and a £4.8 million write-down in the carrying value of WellAware Holdings, Inc. both held centrally.
- (ii) During the current year, this represents a write down in the carrying value of convertible loan notes in Factory 14 S.a.r.l of £4.4 million and in Yopa Property Ltd of £3.8 million.

### 8 Other gains and losses

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Loss on disposal of property, plant and equipment	13	(0.8)	-
Profit on disposal and closure of businesses	13, 17, (i)	5.8	2.5
Recycled cumulative translation differences	13, 17, 38, (ii)	6.4	0.1
Gain from bargain purchase	13, (iii)	-	3.9
Profit on disposal of joint ventures and associates	13, (iv)	19.4	7.8
		30.8	14.3

There is no tax charge in relation to these other gains and losses (2021 £nil).

- (i) In the current year this principally relates to the disposal of Landmark Insurance, a division of Landmark Information Group Ltd within the Property Information segment. In the prior year this principally relates to the sale of Rochford Brady Legal Services Ltd and Lawlink (UK) Ltd in the Property Information segment.
- (ii) Represents cumulative translation differences required to be recycled through the Consolidated Income Statement on disposal and closure of businesses.
- (iii) On 18 October 2020, the Consumer Media segment acquired JPI Media's print operations at Dinnington, Portsmouth and Cam in Northern Ireland for total consideration of £10.0 million. The consideration paid was less than the value of the identifiable net assets acquired and accordingly the gain on this acquisition was recognised in the Consolidated Income Statement in accordance with IFRS 3, Business Combinations.
- (iv) In the current year this represents additional unprovided proceeds from a prior year disposal of Also Energy Holdings, Inc. held centrally.

In the prior year this principally represents a profit of £6.8 million on the sale of Mercatus, Inc. and a profit of £1.0 million on the sale of TreppPort, LLC both in the Property Information segment.

## 9 Investment revenue

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Dividend income	1.8	-
Interest receivable from short-term deposits	0.4	0.9
Interest receivable on loan notes	0.6	1.4
	<b>2.8</b>	<b>2.3</b>

## 10 Net finance costs

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Interest, arrangement and commitment fees payable on bonds, bank loans and loan notes		(17.0)	(14.2)
Finance charge on lease liabilities		(0.9)	(1.3)
Premium paid on options	13, (i)	(7.2)	-
Change in fair value of derivative hedge of bond	15, 33	(5.3)	(3.3)
Change in fair value of hedged portion of bond	15, 33	5.3	3.3
Amortisation relating to terminated fair value hedge of bond	13, 33, 15	(0.3)	-
Hedge ineffectiveness	13, 33	(4.9)	-
Change in fair value of contingent consideration payable	13, 35, (ii)	(0.1)	(0.1)
Finance expense		<b>(30.4)</b>	<b>(15.6)</b>
Change in fair value of derivatives, or portions thereof, not designated for hedge accounting	13	11.5	0.3
Costs of hedging recycled on currency swap termination	13, 33, 38	0.3	-
Finance income on defined benefit pension schemes	13, 34	11.9	2.1
Finance income on sublease receivable		-	0.1
Finance income		<b>23.7</b>	<b>2.5</b>
<b>Net finance costs</b>		<b>(6.7)</b>	<b>(13.1)</b>

- (i) The premium paid on options represents the net cost of foreign exchange options (which do not meet the requirements for hedge accounting) used to economically hedge US\$600.0 million of the Group's cash balances into sterling. During the year, the Group purchased US\$600.0 million notional European call options, giving it the right, but not the obligation to buy GBP at an average GBP/USD exchange rate of 1.3555 exercisable for settlement at the end of January 2022. This economically hedged the conversion of the Group's USD cash balances into GBP, due to the highly probable expectation that a special GBP dividend would be paid to shareholders following Rothermere Continuation Limited's (RCL) offer to acquire all the issued DMGT A Shares not already owned by RCL.

Following the announcement on 17 December 2021 that the final cash offer for all of the issued DMGT A Shares not already owned by RCL had been declared unconditional, settlement of the special dividend (which was conditional on the final cash offer becoming or being declared unconditional) occurred on 30 December 2021. Accordingly the purchased call options were unwound.

- (ii) The fair value movement of contingent consideration arises from the requirement of IFRS 3, Business Combinations, to measure such consideration at fair value with changes in fair value taken to the Consolidated Income Statement.

# Financial Statements

## Notes to the accounts

### 11 Tax

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
The (charge)/credit on the (loss)/profit for the year consists of:			
<b>UK tax</b>			
Corporation tax at 19.0% (2021 19.0%)		0.3	(0.1)
Adjustments in respect of prior years		0.4	(0.4)
		<b>0.7</b>	<b>(0.5)</b>
<b>Overseas tax</b>			
Corporation tax		(7.3)	(47.0)
Adjustments in respect of prior years		(2.6)	(1.3)
		<b>(9.9)</b>	<b>(48.3)</b>
Total current tax		<b>(9.2)</b>	<b>(48.8)</b>
<b>Deferred tax</b>			
	36		
Origination and reversals of temporary differences		(77.9)	6.8
Adjustments in respect of prior years		21.6	-
Total deferred tax		<b>(56.3)</b>	<b>6.8</b>
<b>Total tax charge</b>		<b>(65.5)</b>	<b>(42.0)</b>
Relating to discontinued operations	18	20.1	(104.2)
Relating to continuing operations		<b>(85.6)</b>	<b>62.2</b>

A deferred tax charge of £95.0 million (2021 £49.4 million) relating to the actuarial movement on defined benefit pension schemes was recognised directly in the Consolidated Statement of Comprehensive Income. A deferred tax charge of £4.4 million (2021 credit of £3.6 million) and a current tax charge of £nil (2021 £nil) relating to share based payments were recognised directly in equity.

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 2022, 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 2021, the UK deferred tax balances were measured at 25.0% as this was the rate applicable for the reversal of all UK temporary differences as at 30 September 2021. On 23 September 2022, the UK Government announced that the main rate of corporation tax would no longer increase to 25% with effect from 1 April 2023 but would instead stay at 19%. On 14 October 2022, the UK Government announced that the tax rate would increase to 25% from 1 April 2023 as originally set out in the Spring Budget 2021.

The tax charge for the year is higher than the standard rate of corporation tax in the UK of 19.0% (2021 lower than 19.0%) representing the weighted average annual corporate tax rate for the full financial year. The differences are explained below:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Loss on ordinary activities before tax - continuing operations		(60.1)	(2.4)
(Loss)/profit before tax - discontinued operations	18	(11.2)	33.1
Profit on disposal of discontinued operations	18	2.7	1,499.1
Recycled cumulative translation differences on disposal of discontinued operations	18	-	52.1
<b>Total (loss)/profit before tax</b>		<b>(68.6)</b>	<b>1,581.9</b>
Tax on loss on ordinary activities at the standard rate		13.0	(300.6)
Effect of:			
Amortisation and impairment of goodwill and intangible assets		(1.1)	(2.0)
Other expenses not deductible for tax purposes	(i)	(9.8)	(1.1)
Additional items deductible for tax purposes	(ii)	-	22.8
Derecognition of previously recognised deferred tax assets	(iii)	(29.8)	-
Recognition of previously unrecognised deferred tax assets	(iv)	-	53.8
Effect of overseas tax rates		(0.3)	(3.8)
Effect of associates' tax		(1.2)	(0.7)
Current year tax losses not recognised/unrecognised tax losses utilised	(v)	(29.3)	(0.6)
Write off/disposal of subsidiaries and associates	(vi)	(1.0)	181.6
Effect of change in tax rate		(23.2)	12.5
Adjustment in respect of prior years	(vii)	19.4	(1.7)
Other		(2.2)	(2.2)
<b>Total tax charge on the (loss)/profit for the year - continuing and discontinued operations</b>		<b>(65.5)</b>	<b>(42.0)</b>

- (i) The tax impact of Other expenses not deductible for tax purposes includes £7.7 million (2021 £nil) in respect of the acceleration of stock option expense to the Income Statement for which no tax deduction is due.
- (ii) The tax impact of Additional items deductible for tax purposes includes £nil (2021 £16.4 million) in respect of stock option deductions in excess of cumulative deferred tax and £nil (2021 £6.3 million) in respect of Research and Development tax credits.
- (iii) Derecognition of previously recognised deferred tax assets £28.6 million (2021 £nil) relates to UK tax losses no longer expected to be offset against future profits.
- (iv) Recognition of previously unrecognised deferred tax assets of £nil (2021 £53.8 million) relates to UK tax losses and US deferred interest expected to be offset against future profits.
- (v) The tax impact of Current year tax losses not recognised/unrecognised tax losses utilised includes £27.9 million (2021 £nil) in respect of current year UK tax losses not recognised following the large pension contributions made during the year.
- (vi) Write off/disposal of subsidiaries and associates relates to the actual tax charge on disposals being higher than the book profit on sale at the statutory tax rate by £1.0 million (2021 £181.6 million lower than book profit).
- (vii) The adjustment in respect of prior years includes the reassessment of prior year items following the filing of tax returns, of which a credit of £20.1 million relates to a reduction of the tax charge on sale of the Insurance Risk segment in 2021.

# Financial Statements

## Notes to the accounts

Adjusted tax on profits before amortisation and impairment of intangible assets and non-recurring items (adjusted tax charge) amounted to a charge of £9.7 million (2021 £17.2 million) and the resulting effective rate is 24.8% (2021 19.5%). The differences between the tax charge and the adjusted tax charge are shown in the reconciliation below:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Total tax charge on the (loss)/profit for the year		<b>(65.5)</b>	(42.0)
Share of tax in joint ventures and associates	7	<b>(0.2)</b>	(0.1)
Deferred tax on amortisation and impairment of acquired intangible assets	(i)	<b>(1.6)</b>	(2.5)
Current year losses not recognised	(ii)	<b>27.9</b>	-
Reassessment of temporary differences	(iii)	<b>29.4</b>	(56.7)
Tax on other gains and losses - continuing and discontinued operations	(iv)	<b>(20.1)</b>	98.7
Tax on exceptional payments to pension schemes		<b>23.7</b>	-
Tax on exceptional operating costs		<b>(4.4)</b>	(2.8)
Effect of difference between UK statutory rate and deferred tax rate	(v)	<b>(4.2)</b>	(12.5)
Tax on other adjusting items		<b>5.3</b>	0.7
Adjusted tax charge on the (loss)/profit for the year	13	<b>(9.7)</b>	(17.2)

- (i) In calculating the adjusted tax rate, the Group excludes the potential future impact of the deferred tax effects of intangible assets (other than internally generated and acquired computer software), as the Group prefers to give users of its accounts a view of the tax charge based on the current status of such items. Deferred tax would only crystallise on a sale of the relevant businesses, which is not anticipated at the current time, and such a sale, being an exceptional item, would result in an exceptional tax impact.
- (ii) The tax impact of Current year tax losses not recognised/unrecognised tax losses utilised includes £27.9 million (2021 £nil) in respect of current year UK tax losses not recognised following the large pension contributions made during the year.
- (iii) Reassessment of temporary differences includes the derecognition of previously recognised deferred tax assets of which £29.4 million (2021 £nil) relates to UK tax losses no longer expected to be offset against future profits. The prior year tax credits relate to the recognition of previously unrecognised deferred tax assets in respect of UK tax losses of £58.4 million and US deferred interest of £39.5 million.
- (iv) Tax on other gains and losses includes a tax charge of £nil (2021 £56.6 million) in respect of the sale of the EdTech segment, a tax credit of £20.1 million (2021 tax charge of £39.9 million) in respect of the sale of the Insurance Risk segment, and a tax charge of £nil (2021 £0.4 million) in respect of the sale of the Energy Information segment.
- (v) The numbers for the current and prior years include the impact on deferred tax of the enacted UK rate change with effect from 1 April 2023.

## 12 Dividends paid

	Note	Year ended 30 September 2022 Pence per share	Year ended 30 September 2022 £m	Year ended 30 September 2021 Pence per share	Year ended 30 September 2021 £m
<b>Amounts recognisable as distributions to equity holders in the year</b>					
Ordinary Shares - final dividend for the year ended 30 September 2021		17.3	3.4	-	-
A Ordinary Non-Voting Shares - final dividend for the year ended 30 September 2021		17.3	36.4	-	-
Ordinary Shares - final dividend for the year ended 30 September 2020		-	-	16.6	3.3
A Ordinary Non-Voting Shares - final dividend for the year ended 30 September 2020		-	-	16.6	34.3
		-	39.8	-	37.6
Ordinary Shares - interim dividend for the year ended 30 September 2022		2.8	0.5	-	-
A Ordinary Non-Voting Shares - interim dividend for the year ended 30 September 2022		2.8	5.8	-	-
Ordinary Shares - special dividend	(i)	568.0	113.0	-	-
A Ordinary Non-Voting Shares - special dividend	(i)	568.0	1,197.3	-	-
Cazoo shares distributed in specie - special dividend	25, (i)	82.8	109.8	-	-
Ordinary Shares - interim dividend for the year ended 30 September 2021		-	-	7.6	1.5
A Ordinary Non-Voting Shares - interim dividend for the year ended 30 September 2021		-	-	7.6	15.9
		-	1,426.4	-	17.4
		-	1,466.2	-	55.0

- (i) On 14 December 2021, a special dividend was declared to all DMGT shareholders with a record date of 16 December 2021. It was comprised of a cash element of £5.68 per share and a share element of approximately 0.5749 shares in Cazoo Group Ltd (Cazoo) per DMGT share. Settlement of the cash element of £1,310.3 million occurred on 30 December 2021 and settlement of the Cazoo share element of £109.8 million occurred on 24 June 2022.

Following the year end, the Board declared and paid an interim dividend of £5.4 million at its 1 November 2022 meeting (2.0 pence per Ordinary/A Ordinary Non-Voting Share).

The Board declared a final dividend of 3.78 pence per Ordinary/A Ordinary Non-Voting Share at its 29 November 2022 meeting (2021 17.3 pence). It will absorb an estimated £8.7 million (2021 £39.8 million) of shareholders' equity for which no liability has been recognised in these Consolidated Financial Statements.

# Financial Statements

## Notes to the accounts

### 13 Adjusted profit

		Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2022	Year ended 30 September 2021	Year ended 30 September 2021	Year ended 30 September 2021
	Note	Total £m	Discontinued operations (Note 18) £m	Continuing operations £m	Total £m	Discontinued operations (Note 18) £m	Continuing operations £m
(Loss)/profit before tax	3	(71.3)	(11.2)	(60.1)	30.7	33.1	(2.4)
Profit on disposal of discontinued operations including recycled cumulative translation differences	18	2.7	2.7	-	1,551.2	1,551.2	-
<b>Adjust for:</b>							
Amortisation of intangible assets in Group profit, including joint ventures and associates, arising on business combinations	3, 7	11.4	-	11.4	15.5	0.2	15.3
Impairment of goodwill and intangible assets arising on business combinations	3	9.3	-	9.3	13.0	-	13.0
Exceptional operating costs, impairment of internally generated and acquired computer software	3	91.1	11.2	79.9	38.7	5.3	33.4
Share of joint ventures' and associates' other gains and losses	7	(0.1)	-	(0.1)	(0.1)	-	(0.1)
Impairment of carrying value of joint ventures and associates	7	30.7	-	30.7	6.5	-	6.5
Impairment of carrying value of loans to associates	7	8.2	-	8.2	-	-	-
<b>Other gains and losses:</b>							
Loss on disposal of property, plant and equipment	8	0.8	-	0.8	-	-	-
Profit on disposal of businesses, joint ventures, associates, change of control and recycled cumulative translation differences	8	(31.6)	-	(31.6)	(14.3)	-	(14.3)
Profit on disposal of discontinued operations including recycled cumulative translation differences	18	(2.7)	(2.7)	-	(1,551.2)	(1,551.2)	-
<b>Finance costs:</b>							
Cost of buying options	10	7.2	-	7.2	-	-	-
Finance income on defined benefit pension schemes	10	(11.9)	-	(11.9)	(2.1)	-	(2.1)
Fair value movements including share of joint ventures and associates	10	(11.1)	-	(11.1)	0.1	-	0.1
Hedge ineffectiveness	10	4.9	-	4.9	-	-	-
Costs of hedging recycled on currency swap termination	10	(0.3)	-	(0.3)	-	-	-
Upfront revolving credit facility fees	10	1.8	-	1.8	-	-	-
<b>Tax:</b>							
Share of tax in joint ventures and associates	7, 11	0.2	-	0.2	0.1	-	0.1
<b>Adjusted profit before tax and non-controlling interests</b>		<b>39.3</b>	<b>-</b>	<b>39.3</b>	<b>88.1</b>	<b>38.6</b>	<b>49.5</b>
Adjusted tax charge	11	(9.7)	-	(9.7)	(17.2)	(7.8)	(9.4)
Non-controlling interests	(i)	0.2	-	0.2	0.4	-	0.4
<b>Adjusted profit after taxation and non-controlling interests</b>		<b>29.8</b>	<b>-</b>	<b>29.8</b>	<b>71.3</b>	<b>30.8</b>	<b>40.5</b>

(i) The adjusted non-controlling interests' share of losses for the year of £0.2 million (2021 £0.4 million) is stated after eliminating a credit of £0.1 million (2021 £2.0 million), being the non-controlling interests' share of adjusting items.

## 14 EBITDA and cash (used in)/generated by operations

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Continuing operations</b>			
Adjusted operating profit	3	<b>58.8</b>	65.5
Non-exceptional depreciation charge on property, plant and equipment	3, 22	<b>16.3</b>	17.0
Non-exceptional depreciation charge on right of use assets	3, 23	<b>13.8</b>	14.2
Amortisation of internally generated and acquired computer software not arising on business combinations	3, 21	<b>4.3</b>	6.4
Operating losses from joint ventures and associates	7	<b>(5.9)</b>	(3.1)
Share of charge of depreciation and amortisation of internally generated and acquired computer software not arising on business combinations of joint ventures and associates		<b>0.4</b>	0.3
Dividend income	9	<b>1.8</b>	-
<b>Discontinued operations</b>			
Adjusted operating profit	18	-	40.6
Non-exceptional depreciation charge on property, plant and equipment	18, 22	-	4.0
Non-exceptional depreciation charge on right of use assets	18, 23	-	6.1
Amortisation of internally generated and acquired computer software not arising on business combinations	18, 21	-	3.1
Share of losses from operations of joint ventures and associates	18	-	(0.1)
<b>EBITDA</b>		<b>89.5</b>	154.0
<b>Adjustments for:</b>			
Share-based payments	38	<b>58.8</b>	40.1
Loss on disposal of lease liability re right to use assets		<b>(0.1)</b>	-
Share of losses from joint ventures and associates	7, 18	<b>5.9</b>	3.2
Exceptional operating costs	3	<b>(91.1)</b>	(38.7)
Non-cash pension past service credit	3	<b>(17.8)</b>	-
Dividend income	9	<b>(1.8)</b>	-
Share of charge of depreciation and amortisation of internally generated and acquired computer software not arising on business combinations of joint ventures and associates		<b>(0.4)</b>	(0.3)
Increase in inventories		<b>(9.0)</b>	(2.7)
Increase in trade and other receivables		<b>(38.2)</b>	(22.6)
Increase in trade and other payables		<b>37.0</b>	13.3
Increase/(decrease) in provisions		<b>10.4</b>	(3.6)
Additional payments into pension schemes	34	<b>(412.9)</b>	(14.2)
<b>Cash (used in)/generated by operations</b>		<b>(369.7)</b>	128.5

# Financial Statements

## Notes to the accounts

### 15 Analysis of net (debt)/cash

	Note	At 1 October 2021 £m	Cash flow £m	Fair value hedging adjustments £m	Foreign exchange movements £m	Other non- cash movements (i) £m	At 30 September 2022 £m
Cash and cash equivalents	29	1,746.9	(1,722.9)	-	29.0	-	53.0
Bank overdrafts	29, 32	(1.7)	1.0	-	-	-	(0.7)
<b>Net cash and cash equivalents</b>		<b>1,745.2</b>	<b>(1,721.9)</b>	<b>-</b>	<b>29.0</b>	<b>-</b>	<b>52.3</b>
<b>Debt due within one year</b>							
Lease liabilities	32, (i)	(16.6)	18.2	-	(0.8)	(8.1)	(7.3)
<b>Debt due after one year</b>							
Bonds	32, (i)	(199.5)	-	5.3	-	(0.4)	(194.6)
Lease liabilities	32, (i)	(20.5)	-	-	(2.2)	1.2	(21.5)
<b>Net (debt)/cash before effect of derivatives</b>		<b>1,508.6</b>	<b>(1,703.7)</b>	<b>5.3</b>	<b>26.0</b>	<b>(7.3)</b>	<b>(171.1)</b>
Effect of derivatives	(ii)	(12.7)	12.9	(5.3)	(10.9)	-	(16.0)
Collateral deposits	28	9.2	(4.1)	-	-	-	5.1
<b>Net (debt)/cash at closing exchange rate</b>		<b>1,505.1</b>	<b>(1,694.9)</b>	<b>-</b>	<b>15.1</b>	<b>(7.3)</b>	<b>(182.0)</b>
<b>Net (debt)/cash at average exchange rate</b>		<b>1,497.8</b>					<b>(173.7)</b>

The net cash outflow of £1,721.9 million (2021 inflow of £1,278.1 million) includes a cash outflow of £70.3 million (2021 £3.1 million) in respect of operating exceptional items.

- (i) Other non-cash movements include the unwinding of bond issue discount and amortisation of bond issue costs amounting to £0.1 million (2021 £0.1 million) and amortisation relating to the terminated bond fair value hedge amounting to £0.3 million (2021 £nil), £0.9 million (2021 £3.4 million) finance charges relating to IFRS 16 Leases and £8.1 million (2021 £15.2 million) in relation to new lease commitments.
- (ii) Effect of derivatives includes the fair value interest rate swaps used to convert a portion of the Group's fixed rate debt to floating rates and the foreign exchange (FX) impact of fixed-to-fixed cross-currency swaps entered into with the intention of economically converting the currency of borrowings into an alternative currency. The movements in the year comprise a £5.3 million loss on fair value interest rate swaps and a £10.9 million FX loss on fixed-to-fixed cross-currency swaps. Further details on the Group's derivative instruments are provided in Note 33.

### 16 Summary of the effects of acquisitions

There have been no material acquisitions during the year.

#### Reconciliation to purchase of businesses and subsidiary undertakings as shown in the Consolidated Cash Flow Statement:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Cash consideration		0.3	84.0
Cash paid to settle contingent consideration in respect of acquisitions	35, (i)	1.2	1.4
Cash and cash equivalents acquired with subsidiaries		-	(7.5)
Purchase of businesses and subsidiary undertakings		1.5	77.9

- (i) Cash paid to settle contingent consideration in respect of acquisitions includes £0.5 million (2021 £0.8 million) within the Property Information segment and £0.7 million (2021 £0.6 million) within the Events and Exhibitions segment.

## 17 Summary of the effects of disposals

On 5 November 2021 the Group disposed of Landmark Insurance, a division of Landmark Information Group Ltd within the Group's Property Information segment for net proceeds of £4.8 million. This was recognised as held for sale in the prior year.

The impact of the disposal of businesses completed during the period on net assets is as follows:

	Note	Other £m	Prior year assets held for sale disposed in current year £m	Adjustment on sale of assets held for sale in current year £m	Total £m
Trade and other receivables		-	0.5	(0.2)	0.3
Trade and other payables		-	(0.2)	0.1	(0.1)
<b>Net assets disposed</b>		-	<b>0.3</b>	<b>(0.1)</b>	<b>0.2</b>
Profit/(loss) on sale of businesses including recycled cumulative exchange differences	8	7.6	(0.3)	4.9	12.2
		<b>7.6</b>	-	<b>4.8</b>	<b>12.4</b>
<b>Satisfied by:</b>					
Cash received		0.9		5.5	6.4
Directly attributable costs paid		-		(0.7)	(0.7)
Working capital adjustment		0.3		-	0.3
Recycled cumulative translation differences	38	6.4		-	6.4
		<b>7.6</b>		<b>4.8</b>	<b>12.4</b>

Reconciliation to disposal of businesses and subsidiary undertakings as shown in the Consolidated Cash Flow Statement:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Cash consideration net of disposal costs - continuing operations	5.7	3.6
Cash consideration net of disposal costs - discontinued operations	2.0	1,560.4
Cash and cash equivalents disposed with subsidiaries	-	(44.7)
Bank overdrafts disposed with subsidiaries	-	0.3
Proceeds on disposal of businesses and subsidiary undertakings	7.7	1,519.6

All of the businesses disposed of during the year absorbed £0.1 million of the Group's net operating cash flows, contributed £nil in respect of investing activities and paid £nil in respect of financing activities.

There is no tax in relation to these disposals.

# Financial Statements

## Notes to the accounts

### 18 Discontinued operations

On 26 August 2019, the Group announced the sale of its Energy Information segment to Verisk Analytics, Inc. which completed on 5 November 2019 following the completion of customary closing conditions.

On 18 February 2021, the Group announced the sale of its EdTech segment to PowerSchool and EAB which completed on 4 March 2021.

On 5 August 2021, the Group announced the sale of its Insurance Risk segment to Moody's Corporation which completed on 15 September 2021 following the completion of customary closing conditions.

The Group's Consolidated Income Statement includes the following results from discontinued operations:

		Year ended 30 September 2022	Insurance Risk	Energy Information	Year ended 30 September 2021	Insurance Risk	EdTEch	Energy Information
	Note	£m	£m	£m	£m	£m	£m	£m
<b>Revenue</b>	3	-	-	-	256.5	223.0	33.5	-
Expenses		-	-	-	(202.7)	(173.9)	(28.8)	-
Depreciation	3	-	-	-	(10.1)	(9.5)	(0.6)	-
Amortisation of intangible assets not arising on business combinations	3	-	-	-	(3.1)	(0.1)	(3.0)	-
<b>Adjusted operating profit</b>	3	-	-	-	40.6	39.5	1.1	-
Exceptional operating costs	3, 13, (i)	(11.2)	-	(11.2)	(5.3)	-	-	(5.3)
Amortisation of intangible assets arising on business combinations	3, 13	-	-	-	(0.2)	-	(0.2)	-
<b>Operating (loss)/profit before share of results of joint ventures and associates</b>	4	(11.2)	-	(11.2)	35.1	39.5	0.9	(5.3)
Share of adjusted operating losses from operations of joint ventures and associates	24	-	-	-	(0.1)	(0.1)	-	-
<b>(Loss)/profit before net finance costs and tax</b>		(11.2)	-	(11.2)	35.0	39.4	0.9	(5.3)
Investment revenue		-	-	-	0.2	0.2	-	-
Finance costs	3	-	-	-	(2.1)	(2.0)	(0.1)	-
<b>(Loss)/profit before tax</b>		(11.2)	-	(11.2)	33.1	37.6	0.8	(5.3)
Tax (charge)/credit	11	-	-	-	(1.7)	2.4	(0.2)	(3.9)
<b>(Loss)/profit after tax attributable to discontinued operations</b>		(11.2)	-	(11.2)	31.4	40.0	0.6	(9.2)
Profit on disposal of discontinued operations	3, 13, 17	2.7	2.7	-	1,499.1	1,267.1	232.0	-
Recycled cumulative translation differences on disposal of discontinued operations	3, 13, 17	-	-	-	52.1	52.5	(1.4)	1.0
Tax credit/(charge) on profit on disposal of discontinued operations	11	20.1	20.1	-	(102.5)	(49.7)	(56.3)	3.5
<b>Profit/(loss) attributable to discontinued operations</b>		11.6	22.8	(11.2)	1,480.1	1,309.9	174.9	(4.7)

- (i) The Group's Energy Information business (Genscape) provided a third-party auditor service verifying Renewable Identification Numbers (RINs) for renewable fuel production activities in the US, as part of the Renewable Fuel Standard Quality Assurance Program (Program), a regulatory program administered by the US Environmental Protection Agency (EPA).

Following discovery and self-reporting to the EPA by Genscape of potential fraudulent RINs generated by two companies unconnected with DMGT but verified by Genscape between 2013 and 2014 under the Program, the EPA issued a notice of intent to revoke the ability of Genscape to verify RINs as a third-party auditor on 4 January 2017. Following the EPA investigation of the two companies in April 2016, the two companies pleaded guilty of fraud in connection with the broader scheme to generate RINs.

EPA regulations for the audit Program set a liability cap on replacement of invalid RINs of 2.0% of the RINs. In April 2017 Genscape voluntarily paid the 2.0% liability cap associated with the invalid RINs at a cost of US\$1.3 million, based on the then-prevailing market rates, subject to a reservation of rights. The EPA regulations allow for situations where the cap does not apply - including fraud, auditor error and negligence.

The EPA had not formally alleged any fraud or intentional wrongdoing by Genscape, but in its May 2019 final determination letter, EPA did find grounds for auditor error and negligence by Genscape and ordered Genscape to replace 69.2 million additional RINs it had verified.

In July 2019, Genscape filed a petition for review with the Sixth Circuit Court of Appeals and a motion to stay the EPA's order to replace the 69.2 million RINs which was accepted for the duration of Genscape's petition for review.

Notwithstanding the sale of Genscape to Verisk, DMGT is responsible for any costs, claims or awards and all settlement negotiations with the EPA.

During the year a settlement agreement was reached with the EPA whereby DMGT, without admitting any wrongdoing, will replace 24 million RINs over a four year period.

At each year end IAS 37 requires DMGT to review this provision and make appropriate adjustments to reflect the current status of the claim. The Group's closing provision includes the cost of replacement RINs, estimated purchase costs, associated legal fees and currency fluctuations. The final settlement amount may be different than the provision made, however, it is not possible for the Group to predict with any certainty the ultimate cost of settlement. Accordingly, the provision could change substantially over time. Any change to this provision will continue to be disclosed as an exceptional operating item within discontinued operations.

RINs trade in a volatile range. Using the year end price of US\$1.74 compared to the estimated future price of US\$1.51 replacing the 24 million RINs would increase the provision by approximately US\$3.1 million (£2.7 million).

No deferred tax is recorded against this provision.

Cash flows associated with discontinued operations comprise operating cash outflows of £nil (2021 £361.4 million), investing cash inflows of £2.2 million (2021 £1,559.4 million) and financing cash outflows of £nil (2021 £7.5 million).

# Financial Statements

## Notes to the accounts

### 19 Total assets and liabilities of businesses held for sale

The main classes of assets and liabilities comprising the operations classified as held for sale are set out in the table below.

At 30 September 2021, the assets and liabilities held for sale relate to Landmark Solutions and Landmark Insurance, divisions of Landmark Information Group Ltd within the Group's Property Information segment.

During the year, the Landmark Insurance business was disposed whilst the Landmark Solutions business was reclassified back out of assets and liabilities held for sale.

	Note	At 30 September 2022 £m	At 30 September 2021 £m
Trade and other receivables:			
Trade receivables	27	-	1.7
Prepayments	27	-	2.7
Contract acquisition costs	27	-	2.5
<b>Total assets associated with businesses held for sale</b>		-	6.9
Trade and other payables	30	-	(5.9)
<b>Total liabilities associated with businesses held for sale</b>		-	(5.9)
<b>Net assets of the disposal group</b>		-	1.0

## 20 Goodwill

	Note	Goodwill £m
<b>Cost</b>		
<b>At 1 October 2020</b>		<b>294.5</b>
Additions from business combinations	3	45.6
Transfer to other intangible assets	21	(1.9)
Adjustment to previous year estimate of contingent consideration	35	(0.1)
Disposals		(80.1)
Exchange adjustment		(4.0)
<b>At 30 September 2021</b>		<b>254.0</b>
Additions	3	0.2
Transfer from other intangible assets	21	2.0
<b>At 30 September 2022</b>		<b>256.2</b>
<b>Accumulated impairment losses</b>		
<b>At 1 October 2020</b>		<b>39.1</b>
Impairment	3	8.0
Disposals		(1.0)
Exchange adjustment		(0.2)
<b>At 30 September 2021</b>		<b>45.9</b>
Impairment	3	8.8
<b>At 30 September 2022</b>		<b>54.7</b>
Net book value – 2020		255.4
Net book value – 2021		208.1
<b>Net book value – 2022</b>		<b>201.5</b>

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired. Intangible assets, all of which have finite lives, are tested separately from goodwill only where impairment indicators exist. Recoverable amounts have been determined using value in use calculations in accordance with IAS 36, Impairment of Assets.

The discount rates and long-term growth rates used in the value in use calculations for CGUs with goodwill and intangible assets with a total carrying value greater than £10.0 million are as follows:

CGU	Segment	Intangible asset £m	Goodwill £m	Pre-tax discount rate	Long term growth/(decline) rate
Property Information	Property Information	18.3	141.1	15.47% to 17.19%	2.0%
The 'i' Goodwill	Consumer Media	-	8.9	14.31%	(3.0%)
The 'i' Masthead	Consumer Media	27.3	-	14.31%	(3.0%)
New Scientist Goodwill	Consumer Media	-	37.9	14.31%	2.0%
New Scientist Brand	Consumer Media	20.4	-	14.31%	2.0%
New Scientist Customer Relations	Consumer Media	11.0	-	14.31%	2.0%
		<b>77.0</b>	<b>187.9</b>		

# Financial Statements

## Notes to the accounts

Goodwill impairment losses recognised in the period amounted to £8.5 million relating to New Scientist in the Consumer Media segment following a reduced forecast and £0.3 million relating to IPE in the Events and Exhibitions segment following a reduced forecast given the continued uncertainty caused by the Covid-19 pandemic. There is a tax charge of £nil associated with these impairment charges.

In the prior year ended 30 September 2021, the Group recognised goodwill impairment losses amounting to £8.0 million relating to CWC in the Events and Exhibitions segment following a significantly reduced forecast given the continued uncertainty caused by the Covid-19 pandemic. There was a tax credit of £nil associated with this impairment charge.

The Group's policy on impairment of goodwill is set out in Note 2.

In accordance with paragraph 134 of IAS 36, further disclosures have been provided in relation to New Scientist where reasonably possible changes in the key assumptions would result in an increased impairment charge.

The New Scientist CGU within the Consumer Media segment holds goodwill with a carrying value of £37.9 million (2021 £46.4 million) together with intangible assets with a carrying value of £31.4 million (2021 £33.7 million). The carrying value of the New Scientist CGU has been determined using a value in use calculation in line with IAS 36. The methodology applied to the value in use calculations reflects past experience and external sources of information including:

- (i) cash flows for the business for the following year derived from budgets for 2023. The Directors believe these to be reasonably achievable;
- (ii) subsequent cash flows for four additional years increased in line with growth expectations of the business;
- (iii) cash flows beyond the five-year period extrapolated using a long-term nominal growth rate of 2.0%; and
- (iv) a pre-tax discount rate of 14.31%.

For this business the Directors have performed a sensitivity analysis on the total carrying value of the CGU. If the discount rate increased by 1.0% the impairment charge would increase by £7.7 million; if the long-term growth rate decreased by 1.0% the impairment charge would increase by £5.9 million; if the business missed budget by 10.0% the impairment charge would increase by £4.7 million.

## 21 Other intangible assets

	Note	Publishing rights, mastheads and titles £m	Brands £m	Market- and customer-related databases and customer relationships £m	Computer software (i) £m	Other £m	Total £m
<b>Cost</b>							
<b>At 1 October 2020</b>		108.2	37.0	86.3	310.1	0.1	541.7
Analysis reclassifications		-	0.7	(0.7)	(0.5)	-	(0.5)
Transfer from goodwill	20	-	-	1.9	-	-	1.9
Additions from business combinations	3	-	23.0	12.1	-	-	35.1
Other additions	3	-	-	-	2.1	-	2.1
Internally generated	3	-	-	-	5.2	-	5.2
Disposals		(2.5)	(9.7)	(10.9)	(230.9)	-	(254.0)
Exchange adjustment		(0.1)	(0.7)	(0.7)	(15.2)	-	(16.7)
<b>At 30 September 2021</b>		<b>105.6</b>	<b>50.3</b>	<b>88.0</b>	<b>70.8</b>	<b>0.1</b>	<b>314.8</b>
Transfer to goodwill	20	-	-	(2.0)	-	-	(2.0)
Internally generated	3	-	-	-	4.3	-	4.3
Disposals	17	-	-	-	(0.1)	-	(0.1)
Exchange adjustment		-	2.3	1.7	2.6	-	6.6
<b>At 30 September 2022</b>		<b>105.6</b>	<b>52.6</b>	<b>87.7</b>	<b>77.6</b>	<b>0.1</b>	<b>323.6</b>
<b>Accumulated amortisation</b>							
<b>At 1 October 2020</b>		70.1	34.2	62.5	279.9	0.1	446.8
Charge for the year	3	-	6.1	8.2	10.6	-	24.9
Impairment	3	-	3.4	1.6	-	-	5.0
Disposals		(2.5)	(9.6)	(8.7)	(219.0)	-	(239.8)
Exchange adjustment		(0.1)	(0.9)	(0.4)	(13.7)	-	(15.1)
<b>At 30 September 2021</b>		<b>67.5</b>	<b>33.2</b>	<b>63.2</b>	<b>57.8</b>	<b>0.1</b>	<b>221.8</b>
Charge for the year	3	-	6.1	4.5	5.0	-	15.6
Impairment	3	-	0.4	0.1	-	-	0.5
Disposals	17	-	-	-	(0.1)	-	(0.1)
Exchange adjustment		-	2.2	1.6	2.6	-	6.4
<b>At 30 September 2022</b>		<b>67.5</b>	<b>41.9</b>	<b>69.4</b>	<b>65.3</b>	<b>0.1</b>	<b>244.2</b>
<b>Net book value – 2020</b>		<b>38.1</b>	<b>2.8</b>	<b>23.8</b>	<b>30.2</b>	<b>-</b>	<b>94.9</b>
<b>Net book value – 2021</b>		<b>38.1</b>	<b>17.1</b>	<b>24.8</b>	<b>13.0</b>	<b>-</b>	<b>93.0</b>
<b>Net book value – 2022</b>		<b>38.1</b>	<b>10.7</b>	<b>18.3</b>	<b>12.3</b>	<b>-</b>	<b>79.4</b>

Impairment losses recognised in the period amount to £0.5 million relating to Plastex in the Events and Exhibitions segment following a reduced forecast given the continued uncertainty caused by the Covid-19 pandemic. There is a tax credit of £0.1 million associated with this impairment charge.

# Financial Statements

## Notes to the accounts

(i) Computer software includes purchased and internally generated intangible assets, not arising on business combinations, as follows:

	Note	£m
<b>Cost</b>		
<b>At 1 October 2020</b>		289.3
Additions		7.3
Disposals		(221.5)
Analysis reclassifications		(1.0)
Exchange adjustment		(14.1)
<b>At 30 September 2021</b>		<b>60.0</b>
Additions		4.3
Exchange adjustment		2.2
<b>At 30 September 2022</b>		<b>66.5</b>
<b>Accumulated amortisation</b>		
<b>At 1 October 2020</b>		262.2
Charge for the year	3	9.5
Disposals		(209.6)
Exchange adjustment		(13.2)
<b>At 30 September 2021</b>		<b>48.9</b>
Charge for the year	3	4.3
Exchange adjustment		2.2
<b>At 30 September 2022</b>		<b>55.4</b>
Net book value – 2020		27.1
Net book value – 2021		11.1
<b>Net book value – 2022</b>		<b>11.1</b>

The following table analyses intangible assets in the course of construction included in the internally generated intangibles above, on which no amortisation has been charged in the year since they have not been brought into use.

	£m
<b>Cost</b>	
<b>At 1 October 2020</b>	<b>2.2</b>
Additions	5.7
Projects completed	(1.9)
<b>At 30 September 2021</b>	<b>6.0</b>
Additions	4.3
Projects completed	(2.6)
<b>At 30 September 2022</b>	<b>7.7</b>

The methodologies applied to the Group's CGUs when testing for impairment and details of the above impairment charge are set out in Note 2.

The Group's largest intangible assets with a carrying value greater than £10.0 million are further analysed as follows:

Segment	At 30 September 2022 Carrying value £m	At 30 September 2021 Carrying value £m	At 30 September 2022 Remaining amortisation period Years	At 30 September 2021 Remaining amortisation period Years
The 'i' Masthead	27.3	31.1	7.2	8.2
New Scientist Brand	20.4	22.1	13.4	14.4
New Scientist Customer Relations	11.0	11.6	13.4	14.4

## 22 Property, plant and equipment

	Note	Freehold properties £m	Short leasehold properties £m	Plant, equipment and other £m	Total £m
<b>Cost</b>					
<b>At 1 October 2020</b>		32.9	22.8	282.3	338.0
Owned by subsidiaries acquired	3	7.9	-	3.4	11.3
Additions	3	0.5	0.2	7.6	8.3
Disposals		-	-	(3.2)	(3.2)
Owned by subsidiaries disposed		(0.1)	(20.0)	(43.6)	(63.7)
Exchange adjustment		-	(1.1)	(2.9)	(4.0)
<b>At 30 September 2021</b>		<b>41.2</b>	<b>1.9</b>	<b>243.6</b>	<b>286.7</b>
Additions	3	-	0.8	9.1	9.9
Disposals		-	-	(2.9)	(2.9)
Transfers from Right of use assets	23	1.5	-	0.2	1.7
Exchange adjustment		-	-	2.7	2.7
<b>At 30 September 2022</b>		<b>42.7</b>	<b>2.7</b>	<b>252.7</b>	<b>298.1</b>
<b>Accumulated depreciation and impairment</b>					
<b>At 1 October 2020</b>		19.2	19.1	236.7	275.0
Charge for the year	3	1.5	1.4	18.1	21.0
Disposals		-	-	(3.1)	(3.1)
Owned by subsidiaries disposed		(0.1)	(18.1)	(39.9)	(58.1)
Exchange adjustment		-	(1.0)	(2.5)	(3.5)
<b>At 30 September 2021</b>		<b>20.6</b>	<b>1.4</b>	<b>209.3</b>	<b>231.3</b>
Charge for the year	3	1.5	0.3	14.5	16.3
Disposals		-	-	(1.8)	(1.8)
Transfers from Right of use assets	23	-	-	0.2	0.2
Exchange adjustment		-	-	1.9	1.9
<b>At 30 September 2022</b>		<b>22.1</b>	<b>1.7</b>	<b>224.1</b>	<b>247.9</b>
Net book value – 2020		13.7	3.7	45.6	63.0
Net book value – 2021		20.6	0.5	34.3	55.4
<b>Net book value – 2022</b>		<b>20.6</b>	<b>1.0</b>	<b>28.6</b>	<b>50.2</b>

# Financial Statements

## Notes to the accounts

### 23 Right of use assets

	Note	Leasehold properties £m	Plant and equipment £m	Total £m
<b>Cost</b>				
<b>At 1 October 2020</b>		108.1	2.5	110.6
Owned by subsidiaries acquired	3	5.0	0.2	5.2
Additions	3	13.7	0.7	14.4
Disposals		(7.6)	(0.4)	(8.0)
Owned by subsidiaries disposed		(58.8)	-	(58.8)
Exchange adjustment		(3.8)	-	(3.8)
<b>At 30 September 2021</b>		<b>56.6</b>	<b>3.0</b>	<b>59.6</b>
Additions	3	10.6	0.6	11.2
Disposals		(3.4)	(0.5)	(3.9)
Transfers to freehold properties and plant and equipment	22	(1.5)	(0.2)	(1.7)
Exchange adjustment		4.3	-	4.3
<b>At 30 September 2022</b>		<b>66.6</b>	<b>2.9</b>	<b>69.5</b>
<b>Accumulated depreciation</b>				
<b>At 1 October 2020</b>		20.0	0.8	20.8
Charge for the year	3	19.4	0.9	20.3
Disposals		(3.1)	(0.3)	(3.4)
Owned by subsidiaries disposed		(12.1)	-	(12.1)
Exchange adjustment		(0.7)	-	(0.7)
<b>At 30 September 2021</b>		<b>23.5</b>	<b>1.4</b>	<b>24.9</b>
Charge for the year	3	13.0	0.8	13.8
Disposals		(1.6)	(0.5)	(2.1)
Transfers to freehold properties and plant and equipment	22	-	(0.2)	(0.2)
Exchange adjustment		1.8	-	1.8
<b>At 30 September 2022</b>		<b>36.7</b>	<b>1.5</b>	<b>38.2</b>
Net book value - 2020		88.1	1.7	89.8
Net book value - 2021		33.1	1.6	34.7
<b>Net book value - 2022</b>		<b>29.9</b>	<b>1.4</b>	<b>31.3</b>

## 24 Investments in joint ventures and associates

	Note	Cost of shares £m	Share of post- acquisition retained reserves £m	Total £m
<b>Joint ventures</b>				
<b>At 1 October 2020</b>		7.8	0.8	8.6
Disposals	(i)	(6.4)	(0.7)	(7.1)
Owned by subsidiaries disposed		(1.1)	1.1	-
Share of retained reserves	7	-	0.9	0.9
Dividends received	(ii)	-	(0.4)	(0.4)
Exchange adjustment		(0.3)	-	(0.3)
<b>At 30 September 2021</b>		-	<b>1.7</b>	<b>1.7</b>
Share of retained reserves	7	-	0.7	0.7
Dividends received	(iii)	-	(1.1)	(1.1)
<b>At 30 September 2022</b>		-	<b>1.3</b>	<b>1.3</b>

- (i) During the prior year, the Group sold its investment in TreppPort LLC in the Property Information segment.
- (ii) During the prior year, the Group received dividends from TreppPort LLC and PointX Ltd, both in the Property Information segment.
- (iii) During the year, the Group received dividends from Decision First Ltd and PointX Ltd, both in the Property Information segment.

Summary aggregated financial information for the Group's joint ventures, extracted on a 100% basis from the joint ventures' own financial information, is set out below:

Year ended 30 September 2022	Revenue £m	Operating profit £m	Total expenses £m	Profit for the year £m	Total comprehensive income £m
Property Information	4.6	1.7	(3.2)	1.4	1.4

At 30 September 2022	Non-current assets £m	Current assets £m	Total assets £m	Current liabilities £m	Total liabilities £m	Net assets £m
Property Information	0.3	3.6	3.9	(1.3)	(1.3)	2.6

Year ended 30 September 2021	Revenue £m	Operating profit £m	Total expenses £m	Profit for the year £m	Total comprehensive income £m
Property Information	6.4	2.2	(4.5)	1.9	1.9

At 30 September 2021	Non-current assets £m	Current assets £m	Total assets £m	Current liabilities £m	Total liabilities £m	Net assets £m
Property Information	0.4	11.6	12.0	(3.6)	(3.6)	8.4

At 30 September 2022 the Group's joint ventures had capital commitments amounting to £nil (2021 £nil). There were no material contingent liabilities (2021 none).

## Information on principal joint ventures:

	Segment	Principal activity	Year ended	Description of holding	Group interest %
<b>Unlisted</b>					
PointX Ltd (incorporated and operating in the UK)	Property Information	Provider of a 'Points of Interest' database covering Great Britain	31 March 2022	Ordinary B	50.0
Decision First Ltd (incorporated and operating in the UK)	Property Information	Developer of technology links to allow communication between mortgage lenders and service providers	31 December 2021	Ordinary	50.0

# Financial Statements

## Notes to the accounts

	Note	Cost of shares £m	Share of post- acquisition retained reserves £m	Total £m
<b>Associates</b>				
<b>At 1 October 2020</b>		94.1	(45.7)	48.4
Additions - cash	(i)	21.7	-	21.7
Additions - non cash	(ii)	0.3	-	0.3
Share of retained reserves	7, 18	-	(4.3)	(4.3)
Dividends received	(iii)	-	(0.6)	(0.6)
Impairment	7	(6.5)	-	(6.5)
Transfer to financial assets at fair value through Other Comprehensive Income	25	(2.5)	0.6	(1.9)
Transfer from financial assets at fair value through Other Comprehensive Income	25	13.5	-	13.5
Disposal	(iv)	(3.8)	4.0	0.2
Owned by subsidiaries disposed		(5.9)	5.0	(0.9)
Exchange adjustment		(1.2)	0.5	(0.7)
<b>At 30 September 2021</b>		<b>109.7</b>	<b>(40.5)</b>	<b>69.2</b>
Additions - cash	(v)	3.4	-	3.4
Additions - non cash	(vi)	0.3	-	0.3
Share of retained reserves	7	-	(7.1)	(7.1)
Dividends received	(vii)	-	(0.1)	(0.1)
Impairment	7	(30.7)	-	(30.7)
Transfer to financial assets at fair value through Other Comprehensive Income	25	(0.3)	-	(0.3)
Disposals	(viii)	(0.3)	0.3	-
Exchange adjustment		0.5	(0.5)	-
<b>At 30 September 2022</b>		<b>82.6</b>	<b>(47.9)</b>	<b>34.7</b>

The cumulative unrecognised share of losses of the Group's associates principally comprises £14.5 million (2021 £23.4 million) in relation to the Group's investment in Independent Television News Ltd and £21.8 million (2021 £18.9 million) in relation to Excalibur Holdco Ltd.

Joint ventures and associates have been accounted for under the equity method using unaudited financial information for the year ended 30 September 2022.

- (i) During the prior year cash additions relate to additions in Bloobloom Ltd, Factory 14 S.a.r.l and Kortext Ltd, all held centrally.
- (ii) During the prior year non-cash additions relate to additions in Bloobloom Ltd held centrally and settled with media credits.
- (iii) During the prior year the Group received dividends from Whereoware, LLC in the Events and Exhibitions segment and from Mercatus, Inc. in the Property Information segment.
- (iv) During the prior year the Group disposed of its investment in Mercatus, Inc. in the Property Information segment.
- (v) Cash additions during the year relate to Bloobloom Ltd and Quick Move Ltd, all held centrally.
- (vi) Non-cash additions during the year relate to Quick Move Ltd held centrally and settled with media credits and accrued interest.
- (vii) During the year, the Group received dividends from Whereoware, LLC in the Events and Exhibitions segment.
- (viii) During the year the Group disposed of its investment in Entale Media Ltd and iProf Learning Solutions, all held centrally.

Summary aggregated financial information for the Group's associates, extracted on a 100% basis from the associates' own financial information is set out below:

	Revenue £m	Operating profit £m	Total expenses £m	(Loss)/Profit for the year £m	Other comprehensive income £m	Total comprehensive (expense)/income £m
<b>Year ended 30 September 2022</b>						
Events and Exhibitions	0.9	0.8	(0.1)	0.8	-	0.8
Centrally held	187.5	33.3	(225.3)	(37.8)	34.5	(3.3)
	188.4	34.1	(225.4)	(37.0)	34.5	(2.5)

At 30 September 2022	Non-current assets £m	Current assets £m	Total assets £m	Current liabilities £m	Non-current liabilities £m	Total liabilities £m	Net liabilities £m
Centrally held	47.3	143.9	191.2	(103.1)	(236.9)	(340.0)	(148.8)

Year ended 30 September 2021	Revenue £m	Operating profit/(loss) £m	Total expenses £m	(Loss)/profit for the year £m	Other comprehensive expense £m	Total comprehensive (expense)/income £m
Property Information	3.9	(3.6)	(7.3)	(3.4)	-	(3.4)
Events and Exhibitions	0.6	0.6	(0.1)	0.5	-	0.5
Centrally held	181.6	18.6	(221.4)	(39.8)	(15.7)	(55.5)
	186.1	15.6	(228.8)	(42.7)	(15.7)	(58.4)

At 30 September 2021	Non-current assets £m	Current assets £m	Total assets £m	Current liabilities £m	Non-current liabilities £m	Total liabilities £m	Net liabilities £m
Property Information	-	1.4	1.4	(3.5)	-	(3.5)	(2.1)
Centrally held	80.8	158.7	239.5	(211.2)	(305.0)	(516.2)	(276.7)
	80.8	160.1	240.9	(214.7)	(305.0)	(519.7)	(278.8)

At 30 September 2022 the Group's associates had capital commitments amounting to £nil (2021 £nil). There were no material contingent liabilities (2021 none).

#### Information on principal associates:

	Segment	Principal activity	Year ended	Description of holding	Group interest %
<b>Unlisted</b>					
LineVision, Inc. (incorporated and operating in the US)	Centrally held	Provider of transmission line monitoring and asset management for utilities	31 December 2021	Series A1	24.1
Excalibur Holdco Ltd (incorporated and operating in the UK)	Centrally held	Operator of online discount businesses	30 September 2022	B Ordinary	23.9
Independent Television News Ltd (incorporated and operating in the UK)	Centrally held	Independent TV news provider	31 December 2021	Ordinary	20.0
Propstack Services Private Ltd (incorporated and operating in India)	Centrally held	Provider of commercial real estate information	31 March 2022	Preference, Equity	22.7
Quick Move Ltd (incorporated and operating in the UK)	Centrally held	Serviced marketplace for the purchase and resale of second-hand luxury goods	30 September 2022	Ordinary, Preference	33.9
Kortext Ltd (incorporated and operating in the UK)	Centrally held	Online learning platform	30 June 2022	Ordinary, Preference	22.0
Bloobloom Ltd (incorporated and operating in the UK)	Centrally held	Sales of prescription glasses and sunglasses	31 July 2022	Preference	21.5
Yopa Property Ltd (incorporated and operating in the UK)	Centrally held	Online property portal	31 December 2021	Preference	45.3

# Financial Statements

## Notes to the accounts

### 25 Financial assets at fair value through Other Comprehensive Income

	Note	£m
<b>At 1 October 2020</b>		410.7
Additions - cash		53.4
Additions - non cash		5.2
Disposals		(22.0)
Transfer from investment in associates	24, (i)	1.9
Transfer to investment in associates	24, (ii)	(13.5)
Fair value movement in the period	38	370.8
Exchange adjustment		(0.5)
<b>At 30 September 2021</b>		<b>806.0</b>
Additions - cash		7.7
Additions - non cash		4.5
Distributed in specie	12, (iii)	(109.8)
Transfer from investment in associates	24	0.3
Fair value movement in the period - Cazoo	38	(653.6)
Fair value movement in the period - other	38	7.6
Exchange adjustment		0.1
<b>At 30 September 2022</b>		<b>62.8</b>

The financial assets above are non-interest bearing securities, which are recorded as non-current assets unless they are expected to be sold within one year, in which case they are recorded as current assets.

- (i) During the prior year, the Group's investment in Bricklane Technologies Ltd, previously an associate, was reclassified as a financial asset.
- (ii) During the prior year, the Group increased its investment in Kortext Ltd which is now held as an associate.
- (iii) During the year, the Group's investment in Cazoo was distributed in specie.

Financial assets at fair value through Other Comprehensive Income are analysed as follows:

	Note	Class of Holding	Group Interest %	At 30 September 2022 £m	At 30 September 2021 £m
<b>Listed</b>					
Cazoo Group Ltd (incorporated and operating in the UK)	(i)	Common Equity	-	-	763.4
Taboola.com Ltd (incorporated and operating in Israel)	(ii)	Common Equity	0.3	1.3	4.9
Stem, Inc. (incorporated and operating in the US)	(iii)	Common Equity	0.2	3.6	-
<b>Unlisted</b>					
PA Media Group Ltd (incorporated and operating in the UK)	(iv)	Ordinary	18.4	9.9	9.3
BDG Media, Inc. (incorporated and operating in the US)	(v)	Common, Preference	3.4	5.9	6.0
Farewill Ltd (incorporated and operating in the UK)	(vi)	Preference	5.4	3.7	3.7
Cue Ball Capital LP (incorporated and operating in the US)	(vii)	Limited Partner	2.5	2.7	2.7
Hambro Perks Ltd (incorporated and operating in the UK)	(viii)	Ordinary	3.1	3.9	3.9
Financial Network Analytics Ltd (incorporated and operating in the UK)	(ix)	Ordinary	4.5	1.4	1.4
Air Mail, LLC (incorporated and operating in the US)	(xi)	Preference	3.1	1.3	0.9
CompStak, Inc. (incorporated and operating in the US)	(xii)	Ordinary	2.0	0.5	0.5
Bricklane Technologies Ltd (incorporated and operating in the UK)	(xiii)	Preference	13.2	2.7	2.7
Zilch Technology Ltd (incorporated and operating in the UK)	(xiv)	Ordinary	1.1	15.0	5.0
Plum Fintech Ltd (incorporated and operating in the UK)	(xv)	Preference	2.3	2.2	-
Papier Ltd (incorporated and operating in the UK)	(xvi)	Preference and Ordinary	4.2	6.0	-
Other				2.7	1.6
				<b>62.8</b>	<b>806.0</b>

- (i) Cazoo Group Ltd (Cazoo) provides an online used car sales platform.

On 2 December 2021, Rothermere Continuation Limited (RCL) and the Non-conflicted DMGT Directors announced the terms of a recommended increased and final cash offer for all of the issued DMGT A Ordinary Non-Voting Shares not already owned by RCL (the Final Offer).

On 16 December 2021, RCL announced that all of the conditions to the Final Offer had been satisfied or, where applicable, waived and the Final Offer was therefore unconditional in all respects. Following the Final Offer being declared unconditional DMGT declared a special dividend payable to all DMGT shareholders, including RCL. The special dividend comprised cash of £5.68 per share and approximately 0.5749 shares in Cazoo Group Ltd (Cazoo) per DMGT share, subject to a possible deduction for tax.

The cash element was paid on 30 December 2021 and the settlement of the Cazoo shares component of the special dividend occurred in June 2022.

The carrying value of Cazoo as at 30 September 2022 was £nil (2021 £763.4 million) and a loss of £653.6 million (2021 gain of £357.2 million) was recognised in Other Comprehensive Income during the year.

- (ii) Taboola.com Ltd is a content marketing platform provider.
- (iii) Stem, Inc. provides artificial intelligence driven clean energy storage systems.
- (iv) PA Media Group Ltd is a provider of news, sport and entertainment information.
- (v) BDG Media, Inc. operating as Bustle provides an online information platform covering fashion, politics, technology, diversity, celebrities, health and beauty.
- (vi) Farewill Ltd provides online-based will-writing services.
- (vii) Cue Ball Capital LP is a venture capital and private equity firm specialising in start-ups, early-stage, mid-venture, growth equity scale-ups and buy-out investments.
- (viii) Hambro Perks Ltd is a venture capital firm.
- (ix) Financial Network Analytics Ltd provides a platform which allows financial regulators and financial market infrastructures to map and monitor complex financial networks and to simulate operational and financial risks.
- (x) GPNutrition Ltd provides direct to consumer nutritional supplements.
- (xi) Air Mail, LLC owns and operates an online media service that provides weekly digital newsletter covering politics, business, the environment, the arts, literature, film and television, food, design, travel, architecture, society, fashion and crime.
- (xii) CompStak, Inc. provides commercial real estate information to brokers, appraisers, researchers, landlords, lenders and investors.
- (xiii) Bricklane Technologies Ltd is a property investment platform provider.
- (xiv) Zilch Technology Ltd operates a buy now pay later application.
- (xv) Plum Fintech Ltd operates an application which automatically saves, invests and switches bills on behalf of the user.
- (xvi) Papier Ltd is a direct-to-consumer stationery provider.

# Financial Statements

## Notes to the accounts

### 26 Inventories

	At 30 September 2022 £m	At 30 September 2021 £m
Raw materials and consumables	11.6	8.7
Work in progress	16.1	7.7
	<b>27.7</b>	<b>16.4</b>

### 27 Trade and other receivables

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>Current assets</b>			
Trade receivables		186.7	130.7
Impairment allowance		(6.1)	(7.5)
		<b>180.6</b>	<b>123.2</b>
Prepayments		43.0	39.4
Contract acquisition costs		2.8	2.5
Contract assets		9.0	7.0
Sublease receivable		-	3.2
Other receivables		11.7	18.5
		<b>247.1</b>	<b>193.8</b>
Classified as held for sale	19	-	(6.9)
		<b>247.1</b>	<b>186.9</b>
<b>Non-current assets</b>			
Other receivables		1.3	3.3
		<b>248.4</b>	<b>190.2</b>

The maturity analysis of the Group's sublease receivables is as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
Within one year	-	3.2
Total undiscounted cashflows	-	3.2
<b>Net investment in the lease</b>	<b>-</b>	<b>3.2</b>

Movement in the impairment allowance is as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	<b>(7.5)</b>	<b>(4.7)</b>
Impairment losses recognised	(1.8)	(4.1)
Amounts written off as uncollectable	3.0	0.3
Amounts recovered during the year	0.8	0.4
Owned by subsidiaries disposed	-	0.5
Exchange adjustment	(0.6)	0.1
<b>At end of year</b>	<b>(6.1)</b>	<b>(7.5)</b>

IFRS 9 introduced an expected credit loss (ECL) model which requires an impairment provision to be made on initial recognition of the receivable which previously under IAS 39 was required only when a loss event occurred. Accordingly, the Group recognises an ECL by reference to historical recovery rates and forward-looking indicators.

The Group applies the IFRS 9 simplified approach to measuring impairment allowances using a lifetime expected credit loss allowance for trade receivables, contract assets and other short-term receivables. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experience as adjusted for current and forward-looking information and macroeconomic factors in the countries where the debtor is located.

For trade receivables the expected credit loss allowance is calculated using a provision matrix, with higher default rates applied to older balances.

The provision rates are based on days past due for groupings of customers with similar loss patterns.

There are no trade receivables and contract assets subject to enforcement activity which have been written off.

The Group applies IFRS 9 in measuring impairment allowances using a 12-month expected credit loss allowance for long-term other receivables. To estimate a range of expected credit losses, the probability of default tables based on the debtor's proxy credit rating was estimated and applied to the carrying amount outstanding at 30 September 2022.

The lifetime expected loss provision for trade receivables, contract assets, sublease receivable and other receivables is as follows:

At 30 September 2022	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0.7%	0.3%	1.1%	16.1%	2.9%
Gross carrying amount (£m)	126.1	33.9	18.3	30.4	208.7
Loss allowance provision (£m)	0.9	0.1	0.2	4.9	6.1

At 30 September 2021	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	2.1%	2.3%	-	21.6%	4.6%
Gross carrying amount (£m)	120.7	13.0	7.1	21.8	162.6
Loss allowance provision (£m)	2.5	0.3	-	4.7	7.5

Ageing of impaired trade receivables, contract assets, sublease receivables and other receivables:

	At 30 September 2022	At 30 September 2021
	£m	£m
0 - 30 days	0.9	2.5
31 - 60 days	0.1	0.3
61 - 90 days	0.2	-
91 - 120 days	0.3	0.1
121+ days	4.6	4.6
<b>Total</b>	<b>6.1</b>	<b>7.5</b>

Included in the Group's trade receivables are amounts owed with a carrying value of £28.3 million (2021 £14.0 million) which are past due at 30 September 2022 for which no allowance has been made. The Group is not aware of any deterioration in the credit quality of these customers and considers that the amounts are still recoverable.

Ageing of past due but not impaired trade receivables and contract assets is as follows:

	At 30 September 2022	At 30 September 2021
	£m	£m
1 - 30 days overdue	12.5	4.2
31 - 60 days overdue	8.5	2.9
61 - 90 days overdue	1.0	0.2
91+ days overdue	6.3	6.7
<b>Total</b>	<b>28.3</b>	<b>14.0</b>

The carrying amount of trade and other receivables approximates to their fair value.

# Financial Statements

## Notes to the accounts

### 28 Other financial assets

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>Current assets</b>			
Collateral	15, (i)	5.1	9.2
<b>Non-current assets</b>			
Escrow	(ii)	-	120.7
Loans to joint ventures and associates	(iii)	15.9	19.8
		<b>15.9</b>	<b>140.5</b>

(i) The Group deposits collateral with its bank counterparties with whom it has entered into a credit support annex to an ISDA (International Swaps and Derivatives Association) Master Agreement. This represents cash that cannot be readily used in operations. The collateral deposited at both the current and prior year end principally relates to fixed-to-fixed cross-currency swaps. At 30 September 2022 these swaps had a carrying value of £19.5 million liability (2021 £17.2 million). Further details relating to these swaps are disclosed in Note 33.

(ii) Following the disposal of Euromoney in 2019, the Company made available £120.7 million from the Group's cash resources to the Group's Pension Schemes.

Following the acceptance on 16 December 2021 of Rothermere Continuation Limited's (RCL) offer for all of the issued DMGT A Ordinary Non-Voting Shares not already owned by RCL, the escrow balances were released to the Group's Pension Schemes as part of a £402.0 million cash pension funding payment.

(iii) Loans to joint ventures and associates stated net of expected credit loss provision are as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
Total gross loans to joint ventures and associates	36.1	31.8
Loss allowance provision	(20.2)	(12.0)
<b>Loan receivable net of expected credit loss provision</b>	<b>15.9</b>	<b>19.8</b>

Movement in the impairment allowance is as follows:

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>		<b>12.0</b>	<b>12.0</b>
Movement in the year	7	8.2	-
<b>At end of year</b>		<b>20.2</b>	<b>12.0</b>

**29 Cash and cash equivalents**

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>Cash and cash equivalents</b>	(i)	<b>53.0</b>	1,746.9
Cash and cash equivalents	(i)	53.0	1,746.9
Unsecured bank overdrafts	32	(0.7)	(1.7)
Cash and cash equivalents in the Consolidated Cash Flow Statement	15	52.3	1,745.2
<b>Analysis of cash and cash equivalents by currency:</b>			
Sterling		27.2	1,254.6
US dollar		19.4	486.7
Australian dollar		0.4	0.2
Canadian dollar		0.7	0.6
Euro		1.2	0.5
Other		4.1	4.3
		<b>53.0</b>	1,746.9
<b>Analysis of cash and cash equivalents by interest rate type:</b>			
Floating rate interest		19.1	361.5
Fixed rate interest		33.9	1,385.4
		<b>53.0</b>	1,746.9

(i) The carrying amount of cash and cash equivalents equates to their fair values.

**30 Trade and other payables**

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>Current liabilities</b>			
Trade payables		53.1	22.6
Interest payable		3.6	3.6
Other taxation and social security		6.8	4.6
Other creditors		17.6	21.4
Accruals		147.8	137.9
Deferred revenue		125.4	80.2
		<b>354.3</b>	270.3
Classified as held for sale	19	-	(5.9)
		<b>354.3</b>	264.4

The carrying amount of trade and other payables approximates to their fair value.

**31 Current tax**

	At 30 September 2022 £m	At 30 September 2021 £m
Corporation tax payable	4.2	1.7
Corporation tax receivable	-	(0.4)
	<b>4.2</b>	1.3

# Financial Statements

## Notes to the accounts

### 32 Borrowings

The Group's borrowings are unsecured and are analysed as follows:

	Overdrafts £m	Bonds £m	Lease liabilities £m	Total £m
<b>At 30 September 2022</b>				
Within one year	0.7	-	7.3	8.0
Between one and two years	-	-	8.2	8.2
Between two and five years	-	194.6	10.8	205.4
Over five years	-	-	2.5	2.5
	-	194.6	21.5	216.1
	0.7	194.6	28.8	224.1
<b>At 30 September 2021</b>				
Within one year	1.7	-	16.6	18.3
Between one and two years	-	-	5.6	5.6
Between two and five years	-	-	11.2	11.2
Over five years	-	199.5	3.7	203.2
	-	199.5	20.5	220.0
	1.7	199.5	37.1	238.3

The Group's borrowings are analysed by currency and interest rate type as follows:

	Sterling £m	US dollar £m	Australian dollar £m	Euro £m	Other £m	Total £m
<b>At 30 September 2022</b>						
Fixed rate interest	204.0	13.6	1.9	1.2	2.7	223.4
Floating rate interest	0.5	0.2	-	-	-	0.7
	204.5	13.8	1.9	1.2	2.7	224.1
<b>At 30 September 2021</b>						
Fixed rate interest	218.5	15.2	-	1.5	1.4	236.6
Floating rate interest	1.0	0.7	-	-	-	1.7
	219.5	15.9	-	1.5	1.4	238.3

The Group's borrowings, analysed by currency and interest rate type, adjusting the principal borrowed and interest rate type by the notional amount of interest rate swaps, interest rate caps and currency derivatives, are as follows:

	Sterling £m	US dollar £m	Australian dollar £m	Euro £m	Other £m	Total £m
<b>At 30 September 2022</b>						
Fixed rate interest	235.4	85.1	1.9	1.2	2.7	326.3
Floating rate interest	(84.5)	(17.7)	-	-	-	(102.2)
	150.9	67.4	1.9	1.2	2.7	224.1
<b>At 30 September 2021</b>						
Fixed rate interest	165.2	170.8	-	1.5	1.4	338.9
Floating rate interest	(30.9)	(69.7)	-	-	-	(100.6)
	134.3	101.1	-	1.5	1.4	238.3

### Committed borrowing facilities

On 6 May 2022 the Group successfully renegotiated its committed bank facilities for a four year term extendable for a further one year at each bank's option. The new total committed bank facilities amount to £209.1 million (2021 £315.7 million). Of these facilities £160.0 million (2021 £155.0 million) are denominated in sterling and £49.1 million (US\$55.0 million) (2021 £160.7 million (US\$217.0 million)) are denominated in US dollars. Drawings are permitted in all major currencies. The net debt to EBITDA covenant in the new bank facilities is no greater than 3.25 times (3.50 times for the previous facilities which were cancelled on 6 May 2022) temporarily increasing to 3.5 times following an acquisition. The interest cover covenant remains at 3.0 times.

The Group's bank loans bear interest charged at the relevant term or compounded risk-free rate plus a margin. The margin varies by bank and is based on the Group's ratio of net debt to EBITDA. EBITDA for these purposes is defined as the aggregate of the Group's consolidated operating profit including share of results of joint ventures and associates before deducting depreciation, amortisation and impairment of goodwill, intangible and tangible assets, before exceptional items and before interest and finance charges, and is shown in Note 14. For the purposes of calculating the Group's bank covenants, EBITDA is calculated on a pre-IFRS 16 basis and amounts to £74.8 million by deducting operating lease charges and adding sublease rental income.

The Group's committed bank facilities and undrawn committed facilities available to the Group in respect of which all conditions precedent had been met are analysed by maturity as follows:

	At 30 September 2022 Committed £m	At 30 September 2021 Committed £m	At 30 September 2022 Undrawn £m	At 30 September 2021 Undrawn £m
Expiring in more than one year but not more than two years	-	315.7	-	315.7
Expiring in more than three years but not more than four years	209.1	-	209.1	-
Total bank facilities	209.1	315.7	209.1	315.7

The Group has issued standby letters of credit amounting to £2.0 million (2021 £3.3 million).

### Bonds

Following maturity of the Company's 2021 bonds in the prior year, the only remaining bonds are those maturing 21 June 2027 with an annual coupon of 6.375%. The nominal, carrying and fair values are as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
Nominal value	200.0	200.0
Carrying value	194.6	199.5
Fair value	170.3	221.6

The bonds have been adjusted from their nominal values to take account of direct issue costs, discounts and movements in hedged risks. The issue costs and discount are being amortised over the expected lives of the bonds using the effective interest method. The unamortised issue costs amount to £0.3 million (2021 £0.3 million) and the unamortised discount amounts to £0.5 million (2021 £0.6 million).

The Group used interest rate swaps designated as hedges of a proportion of the change in fair value of the bonds. Following termination of the last remaining interest rate swap on 21 June 2022, the residual bond fair value adjustment of £4.9 million is required to be amortised over the period to 21 June 2027 being the maturity of the bond. Amortisation charged in the year amounts to £0.3 million leaving an unamortised residual fair value adjustment of £4.6 million (see Note 33).

The fair value of the Group's bonds has been calculated on the basis of quoted market rates using level 2 fair value inputs.

Following the year end, on 3 November 2022, the Company bought back and cancelled £50.0 million nominal of its bonds for cash consideration of £46.6 million.

### Lease liabilities

The Group leases various office space, equipment and vehicles which are negotiated on an individual basis with differing terms and conditions.

The Group's key lease arrangements relate to office space in the key cities in which it operates. The Group negotiates lease contracts according to the Group's needs with a view to balancing stability, security of tenure and lease terms against the risk of entering excessively long or onerous arrangements.

Of the Group's leased properties, the most significant leases relate to the temporary DMGT head office premises at 9 Derry Street, London, W8 5TT which expires in June 2025, 51 Astor Place, New York in the Consumer Media segment which expires in December 2024 and 600 Fifth Avenue, New York in the Property Information segment which expires in November 2028.

# Financial Statements

## Notes to the accounts

The lease payments for Northcliffe House (NCH) made during the year amount to £10.5 million (2021 £10.0 million) which were adjusted each year in line with the Consumer Price Index of the preceding year. The lease at NCH expires in December 2022. Prior to this date, the employees currently working at NCH will move into temporary office space at 9 Derry Street whilst redevelopment works are being carried out. The target end date for these works is June 2024, at which point the Group will commence its own fit out works prior to employees moving back to NCH.

The lease payments for 51 Astor Place made during the year amount to £2.4 million (US\$2.7 million) and these are fixed until maturity of the lease in December 2024.

The lease payments for 600 Fifth Avenue made during the year amount to £1.4 million (US\$1.6 million) and these are fixed until 9 November 2023. Starting 10 November 2023, the annual lease payments will be £1.5 million (US\$1.7 million) until maturity of the lease in November 2028.

An analysis of the Group's finance lease liabilities is as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
Northcliffe House	-	9.9
9 Derry Street	4.2	-
51 Astor Place	5.3	6.2
600 Fifth Avenue	8.3	7.8
Other office space	9.8	11.6
Motor vehicles	1.2	1.5
Other equipment	-	0.1
	<b>28.8</b>	<b>37.1</b>

There are no leases with residual value guarantees or leases not yet commenced to which the Group is committed.

### 33 Financial instruments and risk management

The carrying amounts of the Group's financial instruments together with the gains and losses thereon are as follows:

Note	At 30 September 2022 Carrying value £m	Year ended 30 September 2022 (Loss)/gain to income £m	Year ended 30 September 2022 (Loss)/gain to equity £m	At 30 September 2021 restated (i) Carrying value £m	Year ended 30 September 2021 restated (i) (Loss)/gain to income £m	Year ended 30 September 2021 restated (i) Gain/(loss) to equity £m
<b>Financial assets</b>						
Fair value through profit and loss						
Derivative instruments in designated hedge accounting relationships						
Interest rate swaps (ii)	-	(5.0)	-	0.4	(2.2)	-
Derivative instruments not in designated hedge accounting relationships						
Interest rate caps (ii)	11.9	11.5	-	0.4	0.3	-
Provision for contingent consideration receivable (iii)	-	-	-	0.2	-	-
Loans to joint ventures and associates 28 (iv)	-	-	-	4.2	-	-
Fair value through Other Comprehensive Income						
Financial assets 25 (v)	62.8	1.8	(645.8)	806.0	-	370.3
Amortised cost						
Trade receivables and contract assets	189.6	2.0	7.1	128.5	(3.4)	(3.6)
Other receivables	13.0	-	4.0	21.6	-	(1.9)
Sublease receivable	-	-	-	3.2	0.1	-
Collateral 28	5.1	-	-	9.2	-	-
Other financial assets - Escrow 28	-	-	-	120.7	0.1	-
Loans to joint ventures and associates 28 (iv)	15.9	(7.6)	-	15.6	1.4	-
Cash and cash equivalents 29	53.0	0.4	29.0	1,746.9	0.8	(13.0)
	351.3	3.1	(605.7)	2,856.9	(2.9)	351.8
<b>Financial liabilities</b>						
Fair value through profit and loss						
Derivative instruments in designated hedge accounting relationships						
Fixed-to-fixed cross-currency swaps (ii)	(19.5)	(5.8)	(5.8)	(17.2)	(0.8)	5.9
Provision for contingent consideration payable (iii)	-	(0.2)	-	(1.1)	(0.1)	-
Amortised cost						
Trade payables	(53.1)	-	(0.6)	(16.7)	-	0.3
Interest payable	(3.6)	-	-	(3.6)	-	-
Other creditors	(17.6)	-	(0.5)	(21.4)	-	0.3
Accruals	(147.8)	-	(5.2)	(137.9)	-	3.3
Lease liabilities 32	(28.8)	(0.9)	(3.0)	(37.1)	(1.3)	3.4
Bank overdrafts 32	(0.7)	-	-	(1.7)	-	0.2
Bonds 32 (vi)	(194.6)	(7.8)	-	(199.5)	(9.6)	-
Bank loans	-	(3.2)	-	-	(1.6)	-
	(465.7)	(17.9)	(15.1)	(436.2)	(13.4)	13.4
<b>Total for financial instruments</b>	<b>(114.4)</b>	<b>(14.8)</b>	<b>(620.8)</b>	<b>2,420.7</b>	<b>(16.3)</b>	<b>365.2</b>

Financial Statements

- (i) The 2021 financial liabilities have been restated to include accruals, interest payable and other creditors.
- (ii) Derivative instruments are measured at Fair Value Through Profit and Loss (FVTPL). Their fair values are determined using market rates of interest and exchange and established estimation techniques such as discounted cashflow and option valuation models. The Group has derivatives designated in the following hedging relationships:

# Financial Statements

## Notes to the accounts

- hedges of the change in fair value of recognised assets and liabilities (fair value hedges)
- hedges of net investment in foreign operations (net investment hedges)

To the extent that net investment hedges are effective, changes in fair value of the derivative are taken to the translation reserve through other comprehensive income.

- (iii) Contingent consideration is valued based on the future profitability of the business to which the contingent consideration relates, discounted at market rates of interest.
- (iv) Loans to joint ventures and associates (included within other financial assets) include the following:
- 10.0% fixed rate unsecured convertible loan note which was issued and fully impaired during the year, repayable on 21 November 2024 with a carrying value of £nil (2022 £nil) (at FVTPL);
  - 8.0% fixed rate unsecured convertible loan note issued during the prior year (which was fully impaired in the year to 30 September 2022), repayable on 4 August 2023 with a carrying value (which includes accrued interest) of £nil (2021 £4.2 million) (at FVTPL);
  - 10.0% fixed rate unsecured loan note, repayable on 31 December 2025 with a carrying value (which includes accrued interest) of £15.7 million at 30 September 2022 (2021 £15.6 million) (at Amortised cost).
- (v) Unlisted equity investments are valued using a variety of techniques including comparable company valuation multiples and discounted cashflows. In extremely limited circumstances, where insufficient recent information is available to measure fair value or when there is a wide range of possible fair value measurements, cost is used since this represents the best estimate of fair value in the range of possible valuations.
- (vi) The Group's bonds are measured at amortised cost as adjusted for fair value hedging.

### Risk management

The Group is exposed to credit, interest rate and currency risks arising in the normal course of business. Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

### Capital risk management

The Group manages its capital, defined as equity shareholders' funds and net cash or borrowings, to ensure that entities in the Group are able to continue as going concerns for the foreseeable future. Further detail is provided in the Going Concern section of the Basis of Preparation (Note 1).

### Debt management

The Group borrows on an unsecured basis and arranges its debt to ensure an appropriate maturity profile. The Group's principal sources of funding are the long-term sterling bond market and committed bank facilities. The Group is mindful of its credit rating, currently BB- with Standard & Poor's and BB+ with Fitch and ensures it has sufficient committed bank facilities in order to meet short-term business requirements, after taking into account the Group's holding of cash and cash equivalents together with any distribution restrictions which exist. The Group aims to maximise the term and flexibility of indebtedness and retain headroom in the form of undrawn committed bank facilities of approximately £100.0 million. Additionally, the Group arranges its currency borrowings in order that they are in proportion to the ratio of earnings in that particular currency to total Group earnings.

The Directors consider that the Group's cash generative businesses together with its bond issuances and bank facilities are sufficient to cover the likely medium-term funding requirements of the Group.

Associates, joint ventures and other equity investments in general arrange and maintain their own financing and funding requirements. In all cases such financing is on a non-recourse basis to the Company.

Whilst the Group's internal target of a 12 month rolling net debt to EBITDA ratio is no greater than 2.0 times at any point, the limit imposed by its bank covenants is no greater than 3.25 times (3.50 times for the previous facilities which were cancelled on 6 May 2022, see Note 32) together with a minimum interest cover ratio of 3.0 times, measured in March and September. These covenants were met at the relevant testing dates during the year. The bank covenant ratio uses the average exchange rate in the calculation of net debt. For bank covenant purposes, net debt is calculated on a pre-IFRS 16 basis by excluding lease liabilities. The resultant Net Debt to EBITDA ratio for the year to 30 September 2022 is 1.97 times. Using a closing rate basis for the valuation of net debt, the ratio is 2.05 times. At 30 September 2021, the Group had net cash (at average exchange rates as adjusted for lease liabilities and excluding Escrow balances) amounting to £1,534.7 million.

### Cash and liquidity risk management

The Group monitors its cash balances to ensure that sufficient resources are available to meet operational requirements as they fall due. Short-term money market deposits are used to manage liquidity whilst maximising the rate of return on cash resources, giving due consideration to credit risk. A detailed maturity profile of both derivative and non-derivative financial liabilities are analysed in the table later in this note.

**Market risk management**

The Group's primary market risks are interest rate fluctuations and exchange rate movements.

**Interest rate risk management**

The limit imposed by the Group's bank covenants is at least 3.0 times EBITDA to net interest. The actual ratio for the year was 5.3 times (2021 11.3 times).

Group debt is comprised largely of fixed GBP bond debt and, from time to time, floating rate sterling (GBP) and US dollar (USD) bank borrowings.

The Group's interest rate exposure management policy is aimed at reducing the exposure of the consolidated businesses to changes in interest rates. The Group's long term policy aims to ensure that between 70.0% and 80.0% of interest rate exposures are fixed with the balance floating. Whilst recognising this, policy is subject to short term fluctuations as a result of the prevailing economic climate.

This policy is achieved by issuing fixed rate GBP bond debt and entering into derivative contracts that economically swap fixed rate interest into floating rate. Derivatives are used to hedge or reduce the risks of interest rate and exchange rate movements and are not entered into unless such risks exist.

To meet policy the Group:

- swaps a portion of its fixed GBP bond debt into GBP floating debt using interest rate swaps;
- swaps a portion of its fixed GBP bond debt into USD fixed debt by using fixed-to-fixed cross-currency swaps;
- buys caps to fix its debt; and
- enters forward contracts, selling USD and buying GBP to swap its GBP floating rate debt into USD floating rate debt.

The derivatives in place to meet Group policy are as follows:

- (i) Fixed-to-floating interest rate swaps, designated as fair value hedges of a portion of the Group's bonds; changes in the fair value of the swaps are recognised in the Consolidated Income Statement and at the same time the carrying value of the hedged bonds are adjusted for movements in the hedged risk to the extent effective and those adjustments are also recognised in the Consolidated Income Statement. The last remaining swap was closed out during the year. The notional value of these interest rate swaps amounts to £nil (2021 £53.1 million) with the Group paying floating rates of between 0.0% and 0.9% (2021 0.0% and 0.5%). The average hedged interest rate for the year was 0.2% (2021 0.1%).
- (ii) Fixed-to-fixed cross-currency swaps designated as hedges of the Group's net investments in foreign operations. The notional value of these cross-currency swaps amounts to £37.6 million/US\$60.0 million (2021 £72.0 million/US\$115.0 million) with the Group paying fixed US dollar interest at rates of between 6.0% and 7.0% (2021 6.0% and 7.0%). The average hedged GBP/USD exchange rate for the year was 1.60 (2021 1.60).
- (iii) Interest rate caps amounting to US\$20.0 million and £85.0 million notional (2021 US\$95.0 million and £85.0 million) at rates of between 2.5% and 3.4% (2021 2.4% and 3.5%).

**Foreign exchange rate risk management**

Translation exposures arise on the earnings and net assets of business operations in entities with functional currencies other than that of the parent company. The net asset exposures are economically hedged by a policy of denominating borrowings in currencies where significant translation exposures exist, most notably US dollars.

The Group also designates currency swaps, forward contracts and US dollar bank borrowings as net investment hedges, hedging the Group's overseas investments.

**Credit risk management**

The Group's principal credit risk relates to its trade and other receivables and non-performance by counterparties to financial instrument contracts.

# Financial Statements

## Notes to the accounts

### Trade and other receivables

The Group's customer base is diversified geographically and by segment with customers generally of a good financial standing. Before accepting any new customers, the Group assesses the potential customers' credit quality and sets credit limits by customer. The average credit period is 56 days (2021 42 days). The Group considers the credit risk of trade receivables to be low, although the Group remains vigilant in the current economic climate. The Group reserves the right to charge interest on overdue receivables, although the Group does not hold collateral over any trade receivable balances. The Group makes an impairment allowance which is reviewed regularly in conjunction with an analysis of historical payment profiles, past default experience together with relevant forward looking information. Further information on impairment allowances relating to trade receivables, contract assets, sublease receivable and other receivables can be found in Note 27.

The maximum exposure to credit risk from trade and other receivables at the reporting date is the amount of each class disclosed in the table at the start of this note.

### Institutional counterparty risk

The Group seeks to limit interest rate and foreign exchange risks, described above, by the use of derivative financial instruments. As a result, credit risk arises from the potential non-performance of the counterparties to those financial instruments, which are unsecured. The amount of this credit risk is normally restricted to the amounts of any hedge gain and not the principal amount being hedged. The Group also has a credit exposure to counterparties for the full principal amount of cash and cash equivalents.

Credit risk is controlled by monitoring the credit quality of these counterparties, principally licensed commercial banks and investment banks with strong long-term credit ratings, and of the amounts outstanding with each of them. The credit risk on cash deposits and derivative financial instruments is considered low since the counterparties are banks with high credit ratings.

Group policy is to have no more than the higher of £20.0 million or 25.0% of surplus cash balances deposited (or at risk) with any 'AA' rated or UK ring-fenced banking counterparty and no more than the higher of £10.0 million or 15.0% of surplus cash balances deposited with any 'A' rated counterparty. Additionally, no more than £75.0 million in aggregate should be deposited with any one 'AA' rated banking group and no more than £65.0 million in aggregate should be deposited with any one 'A' rated banking group. The Group has no significant concentration of risk with exposure spread over a large number of counterparties and customers.

Expected credit losses on cash and cash equivalents (which includes cash deposits with an original maturity of less than three months) were reviewed at the reporting date and determined to be immaterial.

The maximum exposure to credit risk from derivative assets and cash and cash equivalents at the reporting date is the amount of each class disclosed in the table at the start of this note.

### Derivative financial instruments and hedge accounting

The Group designates certain derivatives as:

- (i) hedges of the change in fair value of recognised assets and liabilities (fair value hedges); or
- (ii) hedges of highly probable forecast transactions (cash flow hedges); or
- (iii) hedges of net investments in foreign operations (net investment hedges).

To qualify for hedge accounting, each individual hedging relationship must be expected to be effective, be designated and documented at its inception and throughout the life of the hedge relationship.

### Fair value hedges

The Group's policy is to use interest rate swaps to convert a proportion of its fixed rate debt to floating rates. The swaps are designated as a hedge of the change in fair value of the Group's fixed rate debt.

Up until termination of the last remaining swap on 21 June 2022, the notional amount of the interest rate swaps was used to hedge an equivalent notional amount of fixed rate debt. Accordingly, the hedge ratio was 100%.

Since the critical terms of the swaps matched those of the fixed rate debt the Group expected a highly effective hedging relationship. The fair value of the designated fixed rate debt was expected to move in the opposite direction to the fair value of the interest rate swaps as a result of changes in external market interest rates.

The nominal and carrying amounts of hedged fixed rate debt are as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
Nominal amount	-	53.1
Carrying amount	-	53.0

The last remaining interest rate swap was closed out on 21 June 2022, therefore the amount of hedged fixed rate debt at 30 September 2022 is nil. In the prior year the carrying amount of debt in the table above is included within Borrowings in the Consolidated Statement of Financial Position.

The change in value of the hedged fixed rate debt is used as the basis for recognising hedge ineffectiveness for the year. The following table shows the fair value adjustment to sterling debt (in the prior year this is included in the carrying amount above) and the fair value of related derivatives designated in fair value hedging relationships included in the Consolidated Statement of Financial Position, together with the fair value gains and losses thereon included in the Consolidated Income Statement for the current and prior years:

	Fair value at 30 September 2020 £m	Year ended 30 September 2021 fair value gain/(loss) £m	Fair value at 30 September 2021 £m	Year ended 30 September 2022 fair value gain/(loss) £m	Termination of interest rate swap £m	Amortisation relating to terminated fair value hedge of bond £m	Fair value at 30 September 2022 £m
Sterling interest rate swaps	3.7	(3.3)	0.4	(5.3)	4.9	-	-
Sterling debt	(3.7)	3.3	(0.4)	5.3	-	(0.3)	4.6
Total	-	-	-	-	4.9	(0.3)	4.6

Following termination of the last remaining interest rate swap, the residual fair value adjustment to sterling debt of £4.9 million is required to be amortised over the period to maturity of the bond, being the remaining duration of the original hedge relationship.

#### Cash flow hedges

The Group's policy is to use certain derivative financial instruments in order to hedge the foreign exchange risk arising from certain firm commitments or forecast highly probable transactions in currencies other than the functional currency of the relevant Group entity.

There were no cash flow hedging relationships during the current or prior year.

#### Net investment hedges

The Group seeks to manage the foreign currency exposure arising on retranslation of the reporting entity's share of net assets of foreign operations at each reporting date by designating certain derivative financial instruments and foreign currency borrowings as net investment hedging instruments.

The whole or part of the hedging instruments are designated in the hedge relationship in a 1:1 ratio against the Group's available net investments in foreign operations. Accordingly, the hedge ratio is deemed to be 100%.

Since the critical terms of the hedging instruments match those of the net investments in foreign operations the Group expects a highly effective hedging relationship. The carrying value of the designated net investments in foreign operations is expected to move in the opposite direction to the mark-to-market value of the hedging instruments as a result of changes in market exchange rates.

#### Hedge effectiveness

Since the Group expects the hedge relationships described above to be highly effective, a qualitative assessment of effectiveness is performed on inception, at each reporting date, and upon any material change in circumstances affecting the hedge effectiveness requirements.

The key sources of ineffectiveness for the designated relationships described above are:

- (i) A reduction to the amount of the Group's hedged fixed rate debt to an amount that is less than the notional amount of the interest rate swaps.
- (ii) An insufficient amount of net investments in foreign operations (i.e. less than the amount of the hedging instruments).
- (iii) A material change in the Group's credit risk or that of its swap counterparties.

If changes in circumstances cause the critical terms of the hedging instrument to no longer match those of the hedged item, ineffectiveness is monitored using appropriate methodologies.

All designated fair value hedge relationships were effective throughout the year ended 30 September 2022, until termination of the swap in June 2022. Hedge ineffectiveness in relation to net investment hedges of £4.9 million was recognised in the Consolidated Income Statement in Net finance costs (see Note 10), due to the amount of the hedging instruments exceeding the Group's net investments in foreign operations. There was no ineffectiveness recognised in the Consolidated Income Statement in the prior year.

The Group's derivative financial instruments and their maturity profiles are summarised as follows:

# Financial Statements

## Notes to the accounts

### Derivative financial assets:

	Fair value hedges	Derivatives not qualifying for hedge accounting	Derivative financial assets
	£m	£m	£m
<b>At 30 September 2022</b>			
Between two and five years	-	5.5	5.5
Over five years	-	6.4	6.4
	-	11.9	11.9
<b>At 30 September 2021</b>			
Within one year	0.4	-	0.4
Over five years	-	0.4	0.4
	0.4	0.4	0.8

### Derivative financial liabilities:

	Net Investment hedges
	£m
<b>At 30 September 2022</b>	
Between two and five years	(19.5)
<b>At 30 September 2021</b>	
Between two and five years	(13.2)
Over five years	(4.0)
	(17.2)

**Maturity profile of financial liabilities**

The remaining undiscounted contractual liabilities and their maturities together with a reconciliation to amounts included in the Consolidated Statement of Financial Position are as follows:

	Within one year	Between one and two years	Between two and five years	Between five and ten years	Total undiscounted liability	Interest	Undiscounted value of financial asset	Discounting, mark to market and other adjustments	Included in Consolidated Statement of Financial Position
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>At 30 September 2022</b>									
Trade payables	(53.1)	-	-	-	(53.1)	-	-	-	(53.1)
Interest payable	(3.6)	-	-	-	(3.6)	-	-	-	(3.6)
Other creditors	(17.6)	-	-	-	(17.6)	-	-	-	(17.6)
Accruals	(147.8)	-	-	-	(147.8)	-	-	-	(147.8)
Bank overdrafts	(0.7)	-	-	-	(0.7)	-	-	-	(0.7)
Bonds	(9.2)	(12.8)	(234.6)	-	(256.6)	56.6	-	5.4	(194.6)
Lease liabilities	(8.1)	(8.8)	(11.5)	(2.6)	(31.0)	2.2	-	-	(28.8)
Fixed-to-fixed cross-currency swaps	(3.4)	(3.4)	(55.1)	-	(61.9)	2.6	43.3	(3.5)	(19.5)
	<b>(243.5)</b>	<b>(25.0)</b>	<b>(301.2)</b>	<b>(2.6)</b>	<b>(572.3)</b>	<b>61.4</b>	<b>43.3</b>	<b>1.9</b>	<b>(465.7)</b>
<b>At 30 September 2021 restated</b>									
Trade payables	(16.7)	-	-	-	(16.7)	-	-	-	(16.7)
Interest payable	(3.6)	-	-	-	(3.6)	-	-	-	(3.6)
Other creditors	(21.4)	-	-	-	(21.4)	-	-	-	(21.4)
Accruals	(137.9)	-	-	-	(137.9)	-	-	-	(137.9)
Bank overdrafts	(1.7)	-	-	-	(1.7)	-	-	-	(1.7)
Bonds	(9.2)	(12.8)	(38.3)	(209.1)	(269.4)	69.4	-	0.5	(199.5)
Lease liabilities	(17.5)	(6.1)	(12.0)	(3.8)	(39.4)	2.3	-	-	(37.1)
Contingent consideration	(1.1)	-	-	-	(1.1)	-	-	-	(1.1)
Fixed-to-fixed cross-currency swaps	(5.5)	(5.5)	(77.0)	(19.5)	(107.5)	3.8	90.4	(3.9)	(17.2)
	<b>(214.6)</b>	<b>(24.4)</b>	<b>(127.3)</b>	<b>(232.4)</b>	<b>(598.7)</b>	<b>75.5</b>	<b>90.4</b>	<b>(3.4)</b>	<b>(436.2)</b>

The 2021 financial liabilities have been restated to include accruals, interest payable and other creditors.

Included in the maturity table above are currency swaps with a notional value of US\$60.0 million (2021 US\$90.0 million) with mutual break clauses at fair value every five years.

At the prior year end all interest rate swaps were in an asset position. Since interest rate swaps are settled on a net basis, no liability is included in the above maturity tables.

Following the year end, on 3 November 2022 the Company bought back and cancelled £50.0 million nominal of its bonds. The above maturity table reflects the position at 30 September 2022 and neither the cash flows relating to the buy back, nor the revised future cash flows relating to the remaining bond are included in the table.

**Sensitivity analysis**

In managing the Group's interest rate and currency risks, the Group aims to reduce the impact of short-term fluctuations. However, changes in foreign exchange rates and interest rates may have an impact on the Group's statutory results.

At 30 September 2022 it is estimated that an increase of 1.0% in interest rates would have reduced the Group's finance costs by £2.9 million (2021 £0.1 million increase). There would have been no effect on amounts recognised directly in equity. A decrease of 1.0% in interest rates would have increased the Group's finance costs by £2.8 million (2021 £0.1 million). There would have been no effect on amounts recognised directly in equity. This sensitivity has been calculated by applying the interest rate change to the Group's variable rate borrowings, net of any interest rate swaps, at the year end date.

# Financial Statements

## Notes to the accounts

At 30 September 2022 it is estimated that a 10.0% strengthening of sterling against the US dollar would have reduced the net loss taken to equity by £3.0 million (2021 £10.2 million increase in the net gain) and reduced the net loss taken to income by £2.2 million (2021 no change to the net loss). A 10.0% weakening of sterling against the US dollar would have increased the net loss taken to equity by £3.8 million (2021 £12.6 million reduction to the net gain) and increased the net loss taken to income by £2.9 million (2021 no change to the net loss). This sensitivity has been calculated by applying the foreign exchange change to the Group's derivative financial instruments which are affected by changes in foreign exchange rates, at the year end date.

### Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 September 2022	Note	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets</b>					
Financial assets at fair value through Other Comprehensive Income	25	4.9	51.8	6.1	62.8
Fair value through profit and loss					
Derivative instruments not in designated hedge accounting relationships		-	11.9	-	11.9
		4.9	63.7	6.1	74.7
<b>Financial liabilities</b>					
Fair value through profit and loss					
Derivative instruments in designated hedge accounting relationships		-	(19.5)	-	(19.5)
<b>At 30 September 2021</b>					
	Note	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
<b>Financial assets</b>					
Financial assets at fair value through Other Comprehensive Income	25	768.3	31.7	6.0	806.0
Fair value through profit and loss					
Derivative instruments in designated hedge accounting relationships		-	0.4	-	0.4
Derivative instruments not in designated hedge accounting relationships		-	0.4	-	0.4
Provision for contingent consideration receivable		-	-	0.2	0.2
Loans to joint ventures and associates		-	-	4.2	4.2
		768.3	32.5	10.4	811.2
<b>Financial liabilities</b>					
Fair value through profit and loss					
Derivative instruments in designated hedge accounting relationships		-	(17.2)	-	(17.2)
Provision for contingent consideration payable	35	-	-	(1.1)	(1.1)
		-	(17.2)	(1.1)	(18.3)

Reconciliation of level 3 fair value measurement of financial assets is as follows:

	Note	£m
<b>At 1 October 2020</b>		<b>1.3</b>
Transfer from Level 2	(i)	4.8
Contingent consideration received		0.2
Loans advanced to joint ventures and associates		4.2
Exchange adjustment		(0.1)
<b>At 30 September 2021</b>		<b>10.4</b>
Settlement of contingent consideration receivable		(0.2)
Loans advanced to associates		5.8
Interest on loans to associates		0.4
Transfer to investment in associates		(2.2)
Impairment of loan to associate	7, 28	(8.2)
Exchange adjustment		0.1
<b>At 30 September 2022</b>		<b>6.1</b>

(i) Equity investments classified within level 2 in prior years have been transferred to level 3, as the observable market data used in the valuation was not available.

Reconciliation of level 3 fair value measurement of financial liabilities is as follows:

	Note	£m
<b>At 1 October 2020</b>		<b>(2.5)</b>
Cash paid to settle contingent consideration in respect of acquisitions	35	1.4
Change in fair value of contingent consideration	10, 35	(0.1)
Adjustment to goodwill	20, 35	0.1
<b>At 30 September 2021</b>		<b>(1.1)</b>
Cash paid to settle contingent consideration in respect of acquisitions	35	1.2
Change in fair value of contingent consideration	10, 35	(0.1)
<b>At 30 September 2022</b>		<b>-</b>

The key inputs into the significant level 3 financial liabilities are the future profitability of the businesses to which the contingent consideration relates and the discount rate. At 30 September 2021 the estimated range of possible outcomes for the fair value of these liabilities was £0.2 million to £1.1 million.

In the current year the increase in fair value of contingent consideration of £0.1 million (2021 £0.1 million) was charged to the Consolidated Income Statement within Net finance costs (Note 10).

A one percentage point increase or decrease in the growth rate used in estimating the expected profits, results in no change to the contingent consideration liability at 30 September 2021.

No discounting was applied to the contingent consideration balance as at 30 September 2021, as the entire balance was payable within less than one year.

# Financial Statements

## Notes to the accounts

### 34 Retirement benefit obligations

The Group operates a number of pension schemes under which contributions are paid by the employer and employees. The total net pension credit of the Group for the year ended 30 September 2022 was £18.0 million (2021 costs of £10.1 million).

The schemes include a number of defined contribution pension arrangements, in addition to funded defined benefit pension arrangements which are closed to future accrual. The defined benefit schemes in the UK, together with some defined contribution plans, are administered by Trustees or Trustee Companies.

#### Defined benefit schemes

##### Background

The Company operates two main defined benefit schemes (the Schemes), the Harmsworth Pension Scheme (HPS) and the Senior Executive Pension Scheme (SEPF), both of which are closed to new entrants and to further accrual.

Full actuarial valuations of the Schemes are carried out triennially by the scheme actuary and determine the level of contributions payable by the Company to the Schemes. The Technical Provisions position for the most recent funding valuations of the Schemes are summarised in the table below:

Latest Funding Position	HPS	SEPF	AVC
Date of latest triennial valuation	31 March 2019	31 March 2019	31 March 2017
	£m	£m	£m
Total Liabilities	(2,821.0)	(330.5)	(52.8)
Total Assets	2,583.0	346.1	49.0
(Deficit)/Surplus	(238.0)	15.6	(3.8)

Following the results of the latest triennial valuations as at 31 March 2019, the Company and the Trustees of the Schemes (Trustees) agreed to eliminate the above HPS deficit through a combination of additional contributions and investment returns by 5 October 2024. The agreed Recovery Plan contributions were as follows:

#### HPS

- £16.2 million paid on 5 October 2019 under the Recovery Plan agreed at the 31 March 2016 valuation;
- £11.0 million each year for 5 years from 5 October 2020 paid annually in advance; and
- £50.0 million at October 2024 or such lower amount required to meet the deficit at 31 March 2024 based on the Scheme Actuary's estimate of the technical provisions at this date.

The Company also agreed to pay the Pension Protection Fund levy and all other expenses excluding investment management expenses for HPS.

In addition, the Recovery Plan contributions were supplemented by arrangements offering contingent security to HPS, including:

- An Escrow arrangement, to which the Company agreed to contribute an initial sum of £113.6 million and five annual payments of £7.0 million each, with a termination date of 30 September 2026;
- A long-term insolvency guarantee (to replace the Limited Partnership Investment vehicle), capped at £150.0 million with a termination date of 2035 (or the date on which the Scheme reaches full funding on a self-sufficiency basis); and
- Further Funding Agreement in relation to contributions provided in certain circumstances.

The Company considered that these contributions were sufficient to eliminate any deficit over the agreed period. This recovery plan was to be reviewed at the next triennial funding valuation of the Schemes which is due to be completed with an effective date of 31 March 2022.

#### SEPF

For the actuarial valuation as at 31 March 2019, there was no shortfall and therefore no deficit contributions were required.

The Company will pay the Pension Protection Fund levy and all other expenses excluding investment management expenses for SEPF.

#### AVC Plan

The Recovery Plan agreed as part of the 31 March 2017 valuation of the AVC Plan estimated that the deficit would be eliminated by 30 September 2026. No deficit contributions were payable as it was assumed that this would be met through returns on the AVC Plan's assets.

On 24 October 2022, the AVC plan was merged into HPS. Therefore, the assets and liabilities have been transferred to HPS and the 31 March 2020 valuation of the AVC plan will not be completed.

Following acceptance of Rothermere Continuation Limited's (RCL) offer for all of the issued DMGT A Ordinary Non Voting shares not already owned by RCL on 16 December 2021, the Company made a cash funding payment into the Pension Schemes amounting to £402.0 million in addition to a £11.0 million Recovery Plan cash funding payment made on 5 October 2021. These payments replaced all previously agreed Recovery Plan contributions.

In addition, the Company has agreed with the Trustees that, should it make any permanent reductions in the Company's capital, including share buy-backs, it will make additional contributions to the Schemes amounting to 20.0% of the capital reduction capped at the aggregate HPS and SEPF funding deficits shown in the most recent actuarial report. Contributions of £nil (2021 £nil) relating to this agreement were made in the year to 30 September 2022. Following payment of the £402.0 million cash funding referenced above, this agreement was dissolved.

### Strategic Plan

The Trustees have developed a comprehensive approach to managing the Schemes' investment strategy to ensure it is always aligned with the Strategic Plan. The Schemes' financial performance has been sufficiently better than envisaged so the Trustees have reduced risk largely by decreasing the equity allocation and increasing its interest rate and inflation rate hedging which is reflected in the analysis of the Schemes' assets. In addition, the Strategic Plan has been amended to target an asset allocation that may enable the Schemes to be self-sufficient by 2026.

The figures in this note are based on calculations using membership data as at 30 September 2022 along with asset valuations and cash flow information from the schemes for the year to 30 September 2022.

A reconciliation of the net pension obligation reported in the Consolidated Statement of Financial Position is shown in the following table:

	At 30 September 2022 Schemes in surplus £m	At 30 September 2022 Schemes in deficit £m	At 30 September 2022 Total £m	At 30 September 2021 Schemes in surplus £m	At 30 September 2021 Schemes in deficit £m	At 30 September 2021 Total £m
Present value of defined benefit obligation	(1,869.0)	-	(1,869.0)	(2,893.4)	(50.0)	(2,943.4)
Assets at fair value	2,879.9	-	2,879.9	3,196.5	42.0	3,238.5
Impact of asset ceiling	(1.7)	-	(1.7)	-	-	-
Surplus/(deficit) reported in the Consolidated Statement of Financial Position	1,009.2	-	1,009.2	303.1	(8.0)	295.1

The IAS 19, Employee Benefits, accounting surplus/(deficit) data above differs to the triennial actuarial surplus/(deficit) calculation used in the assessment of future funding obligations.

There are a number of reasons for this. The Technical Provisions basis is agreed by the Trustees and Company as part of the triennial actuarial funding valuation which is used to determine the level of any contributions payable by the Company into the Schemes. The guidance issued to Trustees from the Pensions Regulator is that the Technical Provisions basis should reflect the covenant strength and investment strategy at the time of the valuation. In addition, the Technical Provisions discount rate represents the expected risk adjusted return on the Schemes' assets and is normally set with reference to the yield on government bonds.

For accounting purposes, IAS 19 states that the actuarial assumptions used must represent the best estimate of the variables determining the ultimate post-employment benefit cost. The discount rate used is determined by reference to market yields at the end of the reporting period on high quality (AA rated) corporate bonds, and therefore doesn't directly relate to the expected return on the Schemes' assets.

The key differences between the make-up of the bases are the reference yields used for the discount rate, which is higher on the IAS 19 basis, and that the Technical Provisions incorporate different risk adjustment factors, compared to the accounting basis which is set to represent best estimate assumptions.

Due to the different methodologies used it is not uncommon for a scheme to be in IAS 19 accounting surplus but still be in a deficit on a Technical Provisions basis.

The International Financial Reporting Interpretations Committee, in its document IFRIC 14, has interpreted the extent to which a company can recognise a pension surplus on its Statement of Financial Position.

In relation to HPS and the SEPF, having taken account of the rules of the schemes, the Company has an unconditional right to a refund of any surplus under IFRIC 14 and considers that the recognition of surpluses in these schemes on its Statement of Financial Position is in accordance with the interpretations of IFRIC 14. In relation to the AVC, having taken account of the rules of the scheme, the Company does not have an unconditional right to a refund under IFRIC 14. At 30 September 2022 the AVC Plan showed a surplus and an asset ceiling has been applied to restrict the surplus on the Consolidated Statement of Financial Position as required under IFRIC 14.

# Financial Statements

## Notes to the accounts

The surplus/(deficit) for the year, set out above, excludes a related deferred tax liability of £299.8 million (2021 £75.0 million).

A reconciliation of the present value of the defined benefit obligation is shown in the following table:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Defined benefit obligation at start of year		<b>(2,943.4)</b>	(3,005.8)
Interest cost	10	<b>(56.2)</b>	(45.7)
Past service credit/(cost)	3	<b>17.8</b>	(0.2)
Net benefit payments		<b>117.7</b>	116.2
Actuarial gain/(loss) as a result of:			
- Changes in financial assumptions	38	<b>1,014.5</b>	(29.3)
- Changes in demographic assumptions	38	<b>38.2</b>	(3.3)
- Membership experience	38	<b>(57.6)</b>	24.7
Defined benefit obligation at end of year		<b>(1,869.0)</b>	(2,943.4)

A reconciliation of the fair value of assets is shown in the following table:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Fair value of assets at start of year		<b>3,238.5</b>	3,129.0
Interest income on scheme assets	10	<b>68.1</b>	47.8
Company contributions	14	<b>412.9</b>	14.2
Net benefit payments		<b>(117.7)</b>	(116.2)
Return on plan assets, excluding amounts included in interest income on scheme assets	38	<b>(721.9)</b>	163.7
Fair value of assets at end of year		<b>2,879.9</b>	3,238.5

The fair value of assets is categorised as follows:

	Note	Year ended 30 September 2022 £m	At 30 September 2022 %	At 30 September 2021 £m	At 30 September 2021 %
Equities	(i)	-	-	586.3	18
- Investment funds		-	-	586.3	18
- Private equity		<b>194.8</b>	<b>6</b>	205.7	6
Liability Driven Investments	(ii)	<b>591.6</b>	<b>21</b>	665.8	21
Bonds and loans	(iii)	<b>1,287.3</b>	<b>44</b>	1,088.6	34
Property	(iv)	<b>373.0</b>	<b>13</b>	434.0	13
Infrastructure		<b>187.6</b>	<b>7</b>	201.1	6
Cash / Other		<b>245.6</b>	<b>9</b>	57.0	2
Total Assets		<b>2,879.9</b>	<b>100</b>	3,238.5	100

- (i) Equities include hedge funds and infrastructure funds. Quoted securities in active markets are valued at the latest available bid price at the reporting date.

Private equity and infrastructure funds are valued by investment managers using appropriate valuation techniques. These are derived from market based multiples and discount rates of comparable quoted businesses or market transactions which have been determined by the Trustees' investment advisors to represent fair value.

- (ii) Liability Driven Investment funds (LDI) are a collateralised portfolio of gilt repo and swap contracts designed to hedge approximately 100.0% (by value of assets) of the schemes' inflation and interest rate sensitivity. These are independently valued using quoted prices and for OTC instruments by the investment manager using recognised discounting techniques.
- (iii) Bonds and loans include corporate bonds, distressed credit and loans. Corporate bonds are held in unitised pooled investment vehicles and are valued at the latest available bid price provided by the pooled investment manager. Distressed credit and loans are valued by the investment managers using relevant valuation techniques.
- (iv) The schemes' property portfolio represent a mixture of industrial, retail, office and leisure. These assets are independently valued at open market value at 31 March each year with subsequent changes in value based on changes in the Morgan Stanley Capital International (MSCI) property index.

The value of employer-related assets held on behalf of the schemes at 30 September 2022 was £nil (0.0% of assets), (2021 £nil, 0.0% of assets).

The main financial assumptions are shown in the following table:

	Year ended 30 September 2022 %	Year ended 30 September 2021 %
Price inflation	<b>3.70</b>	3.50
Pension increases	<b>3.55</b>	3.35
Discount rate	<b>5.30</b>	1.95

The discount rate for both scheme liabilities and the fair value of scheme assets reflects yields at the year-end date on high-quality corporate bonds and are based on a cash flow-based yield curve, calculating a single equivalent discount rate reflecting the average duration of the schemes' liabilities, rounded to the nearest 0.05% p.a. This methodology incorporates bonds given an AA rating from at least two of the main four rating agencies (Standard & Poor's, Moody's, Fitch and DBRS).

RPI inflation is derived in a similar way to the discount rate but with reference to the Bank of England spot curve at the duration of the schemes' weighted average duration with an appropriate allowance for inflation risk premium (0.20% p.a.), rounded to the nearest 0.05% p.a.

Mortality assumptions take account of scheme experience, and also allow for further improvements in life expectancy based on the Continuous Mortality Investigation (CMI) projections but with a long-term rate of improvement in future mortality rates of 1.25% p.a. Allowance is made for the extent to which employees have chosen to commute part of their pension for cash at retirement.

The average duration of the defined benefit obligation at the end of the year is approximately 13 years (2021 17 years).

The table below illustrates examples of the assumed average life expectancies from age 60 for the principal schemes:

	Year ended 30 September 2022 Future life expectancy from age 60 (years)	Year ended 30 September 2021 Future life expectancy from age 60 (years)
For a current 60-year-old male member of the scheme	<b>25.8</b>	26.9
For a current 60-year-old female member of the scheme	<b>28.4</b>	28.6
For a current 50-year-old male member of the scheme	<b>26.5</b>	27.2
For a current 50-year-old female member of the scheme	<b>29.2</b>	29.3

The amounts charged to the Consolidated Income Statement relating to the Group's defined benefit schemes, based on the above assumptions are shown in the following table:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Past service credit/(cost)	3	<b>17.8</b>	(0.2)
Credit/(charge) to operating profit		<b>17.8</b>	(0.2)
Finance income	10	<b>11.9</b>	2.1
Total credit to the Consolidated Income Statement		<b>29.7</b>	1.9

The fair value of some of our pension assets are made up of quoted and unquoted investments. The latter require more judgement as their values are not directly observable. The assumptions used in valuing unquoted investments are affected by current market conditions and trends which could result in changes in fair value after the measurement date.

# Financial Statements

## Notes to the accounts

Pension costs and the size of any pension surplus or deficit are sensitive to the assumptions adopted. The table below indicates the effect from changes in the principal assumptions used above:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Mortality</b>		
Increase in pension obligation at 30 September from a one-year increase in life expectancy	54.0	118.8
Decrease in projected pension credit for the year to 30 September 2023 from a one year increase in life expectancy	2.8	2.3
<b>Inflation rate</b>		
Increase in pension obligation at 30 September from a 0.1% p.a. increase (excluding hedging)	17.9	45.9
Decrease in projected pension credit for the year to 30 September 2023 from a 0.1% p.a. increase in inflation	0.8	0.9
<b>Discount rate</b>		
Decrease in pension obligation at 30 September from a 0.1% p.a. increase (excluding hedging)	22.1	51.8
Increase in projected pension credit for the year to 30 September 2023 from a 0.1% increase in discount rate	2.1	1.3

There are significant risks in connection with running defined benefit schemes, and the key risks are highlighted below:

### Inflation rate risk

A significant proportion of the defined benefit obligation is linked to inflation, therefore increased inflation will result in a higher pension obligation. The Trustees have sought to acquire certain assets with exposure to inflationary uplifts in order to negate a proportion of this risk. Monetary assets such as bonds and loans hedge approximately 100.0% of the schemes' risk (by value of assets).

### Life expectancy risk

The present value of the defined benefit obligation is calculated with reference to the best estimate of the mortality of scheme members. An increase in assumed life expectancy will result in an increase in the defined benefit obligation. Regular reviews of mortality experience are performed to ensure life expectancy assumptions remain appropriate.

### Investment risk

This is a measure of the uncertainty that the return on the schemes' assets meet the return necessary to fund pension obligations. The schemes hold a significant proportion of equities, but during the year have been reallocating some of these investments into credit and property investments which exhibit lower volatility of return and the LDI investments.

### Discount rate risk

The present value of the defined benefit obligation is calculated using a discount rate set with reference to high-quality corporate bond yields. A decrease in corporate bond yields will increase the present value of the defined benefit obligation, although this will be partially offset by bonds and the LDI investment funds which reduce the gilt rate risk by hedging approximately 100.0% of the schemes' risk (by value of assets).

Amounts recognised in the Consolidated Statement of Comprehensive Income (SOCl) are shown in the following table:

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Actuarial gain		273.0	155.8
Impact of asset ceiling on AVC Plan		(1.7)	-
Total gain recognised in SOCI	38	271.3	155.8
Cumulative actuarial gain recognised in SOCI at beginning of year		329.7	173.9
Cumulative actuarial gain recognised in SOCI at end of year		601.0	329.7

A history of experience gains and losses is shown in the following table:

	At 30 September 2022 £m	At 30 September 2021 £m	At 30 September 2020 £m	At 30 September 2019 £m	At 30 September 2018 £m
Present value of defined benefit obligation	(1,869.0)	(2,943.4)	(3,005.8)	(2,975.8)	(2,594.9)
Fair value of scheme assets	2,879.9	3,238.5	3,129.0	3,190.8	2,838.4
Impact of asset ceiling on AVC Plan	(1.7)	-	-	-	-
Combined surplus in schemes	1,009.2	295.1	123.2	215.0	243.5
Experience adjustments on defined benefit obligation	995.1	(7.9)	(91.9)	(419.4)	82.6
Experience adjustments on fair value of scheme assets	(721.9)	163.7	(20.2)	374.1	101.0

#### UK defined contribution plans

The Group has introduced a number of PensionSaver group personal pension plans that have replaced the trust-based defined contribution pension plans previously offered to employees. These plans create a consistent pensions savings vehicle across all Group segments. The benefits for all members of the trust-based plans have been transferred to individual policies held in the member's own name and the scheme is now wound up. Insured death benefits previously held under this trust have already been transferred to a new trust-based arrangement specifically for life assurance purposes.

The aggregate value of the Group personal pension plans was £204.0 million (2021 £214.0 million) at the year end. The pension cost attributable to these plans during the year amounted to £17.7 million (2021 £17.8 million).

#### Overseas pension plans

Overseas subsidiaries of certain Group segments operate defined contribution retirement benefit plans, primarily in North America. The pension cost attributable to these plans during the year amounts to £0.9 million (2021 £1.8 million).

# Financial Statements

## Notes to the accounts

### 35 Provisions

Note	Contract discounts and rebates (iv) £m	Coupon discount £m	Onerous contracts £m	Contingent consideration (ii) £m	Claims and legal (iii) £m	Other (i) £m	Total £m
<b>Current liabilities</b>							
<b>At 1 October 2020</b>	30.0	0.1	1.3	1.9	23.2	9.8	66.3
Charged/(released) during year	1.4	-	(0.1)	-	12.3	0.1	13.7
Utilised during year	(6.8)	0.7	(0.7)	-	(7.2)	(2.5)	(16.5)
Owned by subsidiaries disposed	-	-	-	-	-	(0.2)	(0.2)
Transfer from non-current liabilities	-	-	-	0.4	-	0.2	0.6
Contingent consideration paid	16, 33	-	-	(1.2)	-	-	(1.2)
Adjustment to goodwill	-	-	-	(0.1)	-	-	(0.1)
Fair value adjustment to contingent consideration	10	-	-	0.1	-	-	0.1
Exchange adjustment	-	-	-	-	(1.2)	(0.1)	(1.3)
<b>At 30 September 2021</b>	<b>24.6</b>	<b>0.8</b>	<b>0.5</b>	<b>1.1</b>	<b>27.1</b>	<b>7.3</b>	<b>61.4</b>
Charged/(released) during year	(1.1)	0.3	2.6	-	7.2	0.7	9.7
Utilised during year	(1.0)	-	-	-	(1.3)	(1.1)	(3.4)
Transfer from non-current liabilities	-	-	-	-	-	(0.7)	(0.7)
Recognised during year	-	-	-	-	-	2.9	2.9
Contingent consideration paid	16, 33	-	-	(1.2)	-	-	(1.2)
Fair value adjustment to contingent consideration	10	-	-	0.1	-	-	0.1
Exchange adjustment	-	-	-	-	4.7	1.2	5.9
<b>At 30 September 2022</b>	<b>22.5</b>	<b>1.1</b>	<b>3.1</b>	<b>-</b>	<b>37.7</b>	<b>10.3</b>	<b>74.7</b>

Note	Onerous contracts £m	Contingent consideration (ii) £m	Other (i) £m	Total £m
<b>Non-current liabilities</b>				
<b>At 1 October 2020</b>	2.4	0.6	2.9	5.9
Released during year	(1.5)	-	(0.7)	(2.2)
Utilised during year	-	-	(0.1)	(0.1)
Owned by subsidiaries disposed	-	-	(0.5)	(0.5)
Transfer to current liabilities	-	(0.4)	(0.2)	(0.6)
Contingent consideration paid	16, 33	-	(0.2)	(0.2)
<b>At 30 September 2021</b>	<b>0.9</b>	<b>-</b>	<b>1.4</b>	<b>2.3</b>
Released during year	(0.6)	-	0.1	(0.5)
Utilised during year	-	-	(0.2)	(0.2)
Transfer to current liabilities	-	-	0.7	0.7
Exchange adjustment	-	-	(0.1)	(0.1)
<b>At 30 September 2022</b>	<b>0.3</b>	<b>-</b>	<b>1.9</b>	<b>2.2</b>

- (i) Other current provisions principally comprise end of service provisions of £6.0 million (2021 £4.3 million), dilapidation provisions of £0.5 million (2021 £1.2 million) and cancellation provisions of £2.9 million.

Other non-current provisions principally comprise dilapidation provisions of £1.6 million (2021 £0.6 million) and a provision for amounts payable to the Newspaper Society following the cessation of membership on disposal of Northcliffe Newspapers Ltd in 2012 of £0.3 million (2021 £0.4 million).

- (ii) The maturity profile of the Group's contingent consideration provision is as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>Expiring in one year or less</b>	<b>-</b>	<b>1.1</b>

Contingent consideration was based on future business valuations and profit multiples and has been estimated using available data forecasts. There was no contingent consideration relating to acquisitions in the year (2021 £0.4 million). Certain contingent consideration arrangements are not capped since they are based on future business performance.

- (iii) Claims and provisions largely relate to the EPA's claim against Genscape, see Note 18 for further details.
- (iv) Contract discounts and rebates relate to provisions held for rebates agreed with advertising agencies and advertisers, on advertising spend across the Group's Consumer Media titles.

### 36 Deferred taxation

	Note	Accelerated capital allowances £m	Goodwill and intangible assets £m	Share-based payments £m	Deferred interest £m	Trading losses and tax credits £m	Pension scheme surplus and pension payment spreading £m	Other £m	Total £m
<b>At 30 September 2020</b>		32.4	(15.2)	11.9	33.7	9.7	(21.0)	22.6	74.1
Disclosed within non-current liabilities		-	(0.3)	-	-	-	-	-	(0.3)
Disclosed within non-current assets		32.4	(14.9)	11.9	33.7	9.7	(21.0)	22.6	74.4
(Charge)/credit to income	11, (i)	0.9	2.6	0.1	(14.3)	19.0	(6.0)	(8.0)	(5.7)
Credit/(charge) to income due to change in tax rate	11, (i)	8.0	(2.0)	1.6	0.3	2.8	1.3	0.5	12.5
(Charge)/credit to equity	38	-	-	2.5	-	-	(29.5)	-	(27.0)
Charge to equity due to change in tax rate	38	-	-	1.1	-	-	(19.9)	-	(18.8)
Owned by subsidiaries acquired		0.6	(3.9)	-	-	-	-	-	(3.3)
Owned by subsidiaries sold		(5.4)	1.9	(4.9)	(16.2)	-	-	(4.5)	(29.1)
Exchange adjustment		(0.3)	0.2	(0.3)	(2.0)	(0.6)	-	(0.9)	(3.9)
<b>At 30 September 2021</b>		<b>36.2</b>	<b>(16.4)</b>	<b>12.0</b>	<b>1.5</b>	<b>30.9</b>	<b>(75.1)</b>	<b>9.7</b>	<b>(1.2)</b>
Disclosed within non-current liabilities		36.0	(17.1)	12.0	1.2	29.9	(75.1)	7.2	(5.9)
Disclosed within non-current assets		0.2	0.7	-	0.3	1.0	-	2.5	4.7
(Charge)/credit to income	11, (i)	2.4	23.2	(7.7)	2.8	(23.1)	(56.4)	(0.1)	(58.9)
Credit/(charge) to income due to change in tax rate	11, (i)	0.7	-	0.1	-	0.5	1.2	0.1	2.6
Charge to equity	38	-	-	(4.4)	-	-	(95.0)	-	(99.4)
Exchange adjustment		1.7	(0.2)	-	-	1.5	-	1.0	4.0
At 30 September 2022		41.0	6.6	-	4.3	9.8	(225.3)	10.7	(152.9)
Disclosed within non-current liabilities		41.0	(17.1)	-	4.0	3.9	(225.3)	9.2	(184.3)
Disclosed within non-current assets		-	23.7	-	0.3	5.9	-	1.5	31.4
<b>At 30 September 2022</b>		<b>41.0</b>	<b>6.6</b>	<b>-</b>	<b>4.3</b>	<b>9.8</b>	<b>(225.3)</b>	<b>10.7</b>	<b>(152.9)</b>

- (i) Includes a £22.2 million credit attributable to discontinued operations (2021 £57.0 million charge).

The deferred tax asset disclosed in the Consolidated Statement of Financial Position in respect of deferred interest, tax losses and tax credits is analysed as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
UK	7.9	31.0
North America	4.6	0.3
Rest of the World	1.6	1.1
	<b>14.1</b>	<b>32.4</b>

# Financial Statements

## Notes to the accounts

During the year the Group's IAS 19 pension scheme surplus ("the IAS 19 Surplus") increased by £714.1 million to £1,009.2 million. The deferred tax liability in respect of the IAS 19 Surplus increased by £224.8 million to £299.8 million during the year. This deferred tax liability is calculated as the sum of the income tax that would be withheld on the part of the IAS 19 Surplus that is expected (when measuring deferred tax) to be returned to the Group in the future ("the Income Tax Temporary Difference") plus the corporation tax impact of the reversal of the remainder of the IAS 19 Surplus through the Group's income statement. The excess of the IAS 19 Surplus over the Income Tax Temporary Difference is assumed to reverse through the Group's income statement in a straight line over the current weighted average life expectancy of the members of each scheme, being 23 years for the Harmsworth Pension Scheme and 18 years for the DMGT Senior Executive Pension Fund.

The amount of the IAS 19 Surplus that might be returned to the Group in the future is highly uncertain and depends on a range of factors including (i) performance of scheme assets, (ii) macroeconomic conditions, (iii) future costs of insuring liabilities, (iv) the manner in which the pension schemes are operated and concluded. For the purpose of considering the manner of recovery of the IAS 19 Surplus under IAS 12 (i.e. for the measurement of deferred tax), judgement is therefore required. In accordance with IAS 12, the Group has used its best estimate to calculate the Income Tax Temporary Difference. The assumptions used in calculating the Income Tax Temporary Difference include (i) using discount rates based on long term gilt rates, which are lower than the discount rates used in calculating the IAS 19 Surplus, (ii) making estimates as to current insurer pricing, (iii) making no allowance for costs of any transaction or discount on sales of illiquid assets. If £100.0 million more or less of the IAS 19 Surplus were recovered as an Income Tax Temporary Difference, deferred tax liabilities would increase or decrease by £10.0 million respectively.

A deferred tax asset of £74.5 million has been recognised in relation to the spreading of UK tax relief for the £412.9 million payments made into the pension schemes during the year and is shown above netted against the £299.8 million deferred tax liability in relation to the pension scheme surplus.

Deferred tax assets are first recognised against the reversal of deferred tax liabilities and then against future forecast taxable profits where there is sufficient evidence to consider these probable.

Deferred tax assets totalling £110.1 million in respect of deferred interest (£4.0 million), tax losses (£nil), the temporary timing difference in respect of pensions payments (£74.5 million), accelerated capital allowances (£28.3 million), and other timing differences (£3.3 million) have been recognised in the UK against the deferred tax liability arising in respect of the excess of the IAS 19 Surplus over the Income Tax Temporary Difference.

Deferred tax assets totalling £16.1 million in respect of deferred interest (£nil), tax losses (£3.9 million), the temporary timing difference in respect of pensions payments (£nil), accelerated capital allowances (£12.2 million), and other timing differences (£nil) have been recognised in the UK on the basis that the Directors are of the opinion, based on recent and forecast trading, that there is convincing evidence that sufficient taxable profits will be generated in the UK in future accounting periods, such that it is considered probable that these assets will be recovered. Evidence includes the Group's recent and forecast trading, taking into account: non-recurring exceptional costs, the long-term nature of the business and risks associated with the future performance of the Group. The future performance of the Group could result in revisions of risk-weighted profit forecasts such that there is a material change in deferred tax assets recognised in respect of future forecast taxable profits. If the forecast risk-weighted operating profits were to increase or decrease by 5.0%, deferred tax assets would increase or decrease by £2.0 million respectively.

Deferred tax assets totalling £24.9 million in respect of deferred interest (£0.3 million), tax losses (£4.3 million), accelerated capital allowances (£0.6 million), intangible assets (£13.5 million), and other timing differences (£6.2 million) have been recognised in North America and deferred tax assets totalling £1.7 million have been recognised in the Rest of the World on the basis that the Directors are of the opinion, based on recent and forecast trading, that there is convincing evidence that sufficient taxable profits will be generated in the relevant territories in future accounting periods, such that it is considered probable that these assets will be recovered.

The Income Tax Temporary Difference does not give rise to a deferred tax liability of the type against which the Group's deferred tax assets can be utilised. The quantum of deferred tax assets recognised in the UK in respect of tax losses and other timing differences is therefore dependent on the quantum of the deferred tax liability arising in respect of the excess of the IAS 19 Surplus over the Income Tax Temporary Difference. Accordingly, any volatility in the IAS 19 Surplus, or any change in the Directors' assessment of its manner of recovery, creates volatility in the quantum of deferred tax assets recognised.

There is an unrecognised deferred tax asset of £114.7 million (2021 £62.8 million) which relates to revenue losses and £34.2 million (2021 £33.5 million) which relates to deferred interest where there is insufficient certainty that these losses will be utilised in the foreseeable future. There is an additional unrecognised deferred tax asset of £403.8 million (2021 £147.8 million which relates to capital losses carried forward). £436.4 million of the revenue losses in respect of which the Group recognises no deferred tax asset have no expiry date, and £1.5 million of the unrecognised revenue losses are expected to expire during the period 2024 to 2029. All of the deferred interest of £136.6 million and capital losses of £1,615.1 million in respect of which the Group recognises no deferred tax asset have no expiry date.

No deferred tax liability is recognised on temporary differences of £372.5 million (2021 £0.5 million) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The temporary differences at 30 September 2022 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings may still result in a tax liability, principally as a result of dividend withholding taxes levied by the overseas tax jurisdictions in which these subsidiaries operate.

**37 Called-up share capital**

	Allotted, issued and fully paid At 30 September 2022 £m	Allotted, issued and fully paid At 30 September 2021 £m
Ordinary Shares of 12.5 pence each	2.5	2.5
A Ordinary Non-Voting Shares of 12.5 pence each	26.3	26.8
	<b>28.8</b>	<b>29.3</b>

	Allotted, issued and fully paid At 30 September 2022 Number of shares	Allotted, issued and fully paid At 30 September 2021 Number of shares
Ordinary Shares	19,890,364	19,890,364
A Ordinary Non-Voting Shares	210,798,306	214,913,327
	<b>230,688,670</b>	<b>234,803,691</b>

The two classes of shares are equal in all respects, except that the A Ordinary Non-Voting Shares do not have voting rights and hence their holders are not entitled to vote at general meetings of the Company.

On 2 December 2021, Rothermere Continuation Limited (RCL) and the Non-conflicted DMGT Directors announced the terms of a recommended increased and final cash offer of £2.70 per share for all of the issued DMGT A Ordinary Non-Voting Shares not already owned by RCL (the Final Offer).

On 16 December 2021, RCL announced that all of the Conditions to the Final Offer had been satisfied or, where applicable, waived and the Final Offer was therefore unconditional in all respects.

Following the Final Offer becoming unconditional the Board of DMGT resolved to make applications to (i) the FCA to cancel the listing of all DMGT A Ordinary Non-Voting Shares on the FCA's Official List and (ii) to cancel trading in all DMGT A Ordinary Non-Voting Shares on the London Stock Exchange's main market for listed securities which took effect as of 8.00 am on 10 January 2022. On 24 February 2022, RCL acquired all remaining DMGT shares that it had not already acquired by that date.

At 30 September 2022 options were outstanding under the terms of the Company's Executive Share Option Schemes, Long-Term Incentive Plans and nil-cost options, over a total of nil A Ordinary Non-Voting shares (2021 9,935,671 shares).

**38 Reserves**

	Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Share premium account</b>			
<b>At start and end of year</b>		<b>17.8</b>	<b>17.8</b>
<b>Capital redemption reserve</b>			
<b>At start of year</b>		<b>21.0</b>	<b>21.0</b>
On cancellation of A Ordinary Non-Voting Shares	(iii)	<b>0.5</b>	-
<b>At end of year</b>		<b>21.5</b>	<b>21.0</b>
<b>Own shares</b>			
<b>At start of year</b>		<b>(35.5)</b>	<b>(59.3)</b>
Purchase of DMGT shares	(i)	-	(1.0)
Own shares released on vesting of share options	(ii)	<b>6.6</b>	<b>24.8</b>
On cancellation of A Ordinary Non-Voting Shares	(iii)	<b>28.9</b>	-
<b>At end of year</b>		<b>-</b>	<b>(35.5)</b>

The Group's investment in its own shares represented shares held in treasury and shares held by an employee benefit trust (EBT) to satisfy incentive schemes.

# Financial Statements

## Notes to the accounts

At 30 September 2022, this investment comprised nil A Ordinary Non-Voting Shares (2021 4,115,021 shares) held in treasury and nil A Ordinary Non-Voting Shares (2021 875,450 shares) held in the EBT. The market value of the Treasury Shares at 30 September 2022 was £nil (2021 £44.1 million) and the market value of the shares held in the EBT at 30 September 2022 was £nil (2021 £9.4 million).

The EBT is independently managed and purchases shares in order to satisfy outstanding share options and potential awards under long-term incentive plans.

- (i) The Company purchased nil (2021 0.1 million) A Ordinary Non-Voting Shares having a nominal value of £nil (2021 £nil) into treasury to match obligations under incentive plans. The consideration paid for these shares was £nil (2021 £1.0 million).
- (ii) During the year, the Company utilised 0.9 million (2021 3.3 million) A Ordinary Non-Voting Shares in order to satisfy incentive schemes. This represented 0.4% (2021 1.6%) of the called-up A Ordinary Non-Voting Share capital at 30 September 2022. The carrying value of these shares was £6.6 million (2021 £24.8 million).
- (iii) On 7 February 2022 4,115,021 DMGT A Ordinary Non-Voting Treasury shares were cancelled resulting in the transfer of £0.5 million nominal value of these shares from Share capital to the Company's Capital Redemption Reserve together with a transfer of £28.9 million from Treasury shares to Retained earnings.

At 30 September 2022 options were outstanding under the terms of the Company's Executive Share Option Schemes, Long-Term Incentive Plans and nil-cost options, over a total of nil A Ordinary Non-Voting Shares (2021 9,935,671 shares).

Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Translation reserve</b>		
<b>At start of year</b>	<b>6.9</b>	66.5
Foreign exchange differences on translation of foreign operations	<b>5.8</b>	(13.3)
Translation reserves recycled to Consolidated Income Statement on disposals	8, 17, 18 <b>(6.4)</b>	<b>(52.2)</b>
(Loss)/gain on hedges of net investments in foreign operations	<b>(5.9)</b>	6.1
Costs of hedging	<b>0.4</b>	(0.2)
Costs of hedging recycled to Consolidated Income Statement on currency swap termination	10 <b>(0.3)</b>	-
<b>At end of year</b>	<b>0.5</b>	6.9

The translation reserve arises on the translation into sterling of the net assets of the Group's foreign operations, offset by changes in fair value of financial instruments used to hedge this exposure.

Included in the translation reserve is a cumulative loss of £7.1 million (2021 £0.1 million) in relation to continuing hedge relationships and a cumulative loss of £6.1 million (2021 £7.2 million) in relation to hedging relationships for which hedge accounting is no longer applied.

Note	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Retained earnings</b>		
<b>At start of year</b>	<b>3,044.1</b>	1,069.9
(Loss)/profit for the year	<b>(133.8)</b>	1,542.3
Dividends paid	12 <b>(1,356.4)</b>	(55.0)
Cazoo dividend in specie	12 <b>(109.8)</b>	-
Actuarial gain on defined benefit pension schemes	34 <b>271.3</b>	155.8
Credit to equity for share-based payments	6, 14, 41 <b>58.8</b>	40.1
Settlement of exercised share options	<b>(62.7)</b>	(34.0)
Transfers	<b>(3.3)</b>	-
Fair value movement of financial assets at fair value through Other Comprehensive Income	25 <b>(646.0)</b>	370.8
Deferred tax on actuarial movement	36 <b>(95.0)</b>	(49.4)
Deferred tax on other items recognised directly in equity	36 <b>(4.4)</b>	3.6
Cancellation of shares	<b>(28.9)</b>	-
<b>At end of year</b>	<b>933.9</b>	3,044.1
<b>At end of year - total reserves</b>	<b>973.7</b>	3,054.3

### 39 Non-controlling interests

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>At start of year</b>	<b>(1.5)</b>	1.0
Share of loss for the year	(0.3)	(2.4)
Foreign exchange differences on translation of foreign operations	(0.2)	(0.1)
<b>At end of year</b>	<b>(2.0)</b>	(1.5)

### 40 Commitments and contingent liabilities

#### Commitments

At 30 September 2022, the Group had outstanding capital expenditure commitments as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>Right of use assets - Property, plant and equipment</b>		
Contracted but not provided in the financial statements	7.5	-

The lease at Northcliffe House (NCH) expires in December 2022. Prior to this date, employees currently working at NCH will move into nearby alternative office space whilst redevelopment works are being carried out. The target end date for these works is June 2024, at which point the Group will commence its own fit out works prior to employees moving back into NCH.

A new lease for NCH has been signed covering 109,000 square feet for 15 years. The new NCH lease includes a 42-month rent free period and includes five-year market reviews. The total amount payable over the lease term is estimated to be £98.4 million.

At 30 September 2022 the Group had contracted for but not provided for capital expenditure amounting to £7.5 million (2021 £nil) in relation to this move.

At 30 September 2022, the Group had outstanding commitments under non-cancellable agreements made to secure venues for future events and exhibitions which fall due as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>Within one year</b>	<b>13.8</b>	7.0

The Group has entered into arrangements with ink suppliers to obtain ink for the year to December 2023 at competitive prices and to secure supply. At 30 September 2022, the commitment to purchase ink over this period was £0.3 million (2021 £3.8 million for the period to December 2022).

The Group has entered into agreements with various printers for years up to December 2024 at competitive prices and to secure supply. At 30 September 2022, the commitment to purchase printing capacity over this period was £4.1 million (2021 £7.8 million for the period to December 2024).

#### Contingent liabilities

The Group has issued standby letters of credit amounting to £2.0 million (2021 £3.3 million).

The Group is exposed to libel claims in the ordinary course of business and vigorously defends against claims received. The Group makes provision for the estimated costs to defend such claims and provides for any settlement costs when such an outcome is judged probable.

# Financial Statements

## Notes to the accounts

### 41 Share-based payments

Prior to going private the Group offered a number of share-based remuneration schemes to Directors and certain employees. The principal schemes comprised share options under the DMGT, Insurance Risk, Property Information and Consumer Media segments. Share options were exercisable after the vesting period, subject in some cases to the satisfaction of performance conditions, and up to 10 years from the date of grant at a price equivalent to the market value of the respective shares at the date of grant.

The fair value of share options for each of these schemes was determined using a Black-Scholes model. Full details of inputs to the models, particular to each scheme, are set out below. With respect to all Schemes, expected volatility was estimated, based upon relevant historic data in respect of the DMGT A Ordinary Non-Voting Share price. The expected life used in the model being adjusted, based on management's best estimate, for the effects of non-transferability.

During the period Rothermere Continuation Limited (RCL) acquired all of the issued DMGT A Shares not already owned by RCL. Following this transaction, certain of the Group's equity settled long term incentive plan (LTIP) arrangements early vested subject to pro-rata vesting and were replaced with cash settled incentive awards.

The cash settled incentive awards are fixed amounts payable on the vesting dates of the original equity settled awards and vest subject to a service period as follows:

Vesting date	LTIP payable £m
December 2022	1.4
December 2023	1.9
December 2024	2.5
December 2025	2.1
	<b>7.9</b>

Where an equity settled LTIP is cancelled, IFRS 2, Share-based Payment requires this is treated as an acceleration of the original vesting period. The impact of this acceleration results in non-cash LTIP charges being charged against profits of the current period which normally would have been charged against profits of future periods. These accelerated charges have been treated as exceptional operating costs.

The total charge to the Consolidated Income Statement in respect of LTIP arrangements is as follows:

Segment	Scheme	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
DMGT Board and Corporate Costs	Equity-Settled Executive Bonuses	-	0.7
	Long-Term Incentive Plan	44.7	19.7
	Option Plan	-	0.2
Insurance Risk	Option Plan	-	11.0
Property Information	Option Plan	-	1.2
Consumer Media	Long-Term Incentive Plan	14.0	5.8
	Option Plan	0.1	1.5
Equity settled LTIP arrangements		<b>58.8</b>	40.1
Cash settled LTIP arrangements		<b>3.7</b>	-
Social security costs		<b>0.2</b>	7.4
		<b>62.7</b>	47.5

The Group did not reprice any of its outstanding options during the year.

Further details of the Group's significant schemes are set out below:

#### DMGT 2006 Executive Share Option Scheme

Under the DMGT 2006 Executive Share Option Scheme, each award of options has a maximum life of 10 years. The maximum award limit was 100.0% of salary in any year in normal circumstances and 200.0% of salary in exceptional circumstances. Awards will not normally vest until three years after the award and the performance conditions have been met. No options were outstanding to Directors during the year.

During the period all the outstanding ESOS awards were exercised following the Group's go private transaction for consideration of £1.9 million.

	Year ended 30 September 2022 Number of share options	Year ended 30 September 2022 Weighted average exercise price £	Year ended 30 September 2021 Number of share options	Year ended 30 September 2021 Weighted average exercise price £
Outstanding at 1 October	369,414	6.07	531,576	5.62
Granted during the period	-	-	100,000	7.09
Exercised during the period	(369,414)	5.54	(251,800)	5.54
Expired during the period	-	-	(10,362)	5.69
<b>Outstanding at 30 September</b>	-	-	369,414	6.07
<b>Exercisable at 30 September</b>	-	-	-	-
<b>Exercisable at 1 October</b>	-	-	168,903	5.23

The aggregate of the estimated fair values of the options granted during the prior year is £0.1 million. The options outstanding at 30 September 2021 had a weighted average remaining contractual life of 6.0 years.

The inputs into the Black-Scholes model at 30 September 2021 were as follows:

Date of grant	25 January 2019	24 November 2020
Market value of shares at date of grant (£)	5.69	7.09
Option price (£)	5.69	7.09
Number of share options outstanding	-	-
Term of option (years)	10	3
Assumed period of exercise after vesting (years)	7	-
Exercise price (£)	5.69	7.09
Risk-free rate (%)	0.81	1.28
Expected dividend yield (%)	3.59	2.61
Volatility (%)	27.95	24.00
Fair value per option (£)	0.84	0.99

### Nil-cost options under the DMGT Executive Bonus Scheme

Since December 2009, a portion of a cash bonus earned by Executive Directors under the Executive Bonus Scheme has been deferred into shares in the form of nil-cost options. These options are to the value of the equity portion of the bonus and are fully expensed in the year in which they are earned.

	Year ended 30 September 2022 Number of share options	Year ended 30 September 2022 Weighted average exercise price £	Year ended 30 September 2021 Number of share options	Year ended 30 September 2021 Weighted average exercise price £
Outstanding at 1 October	191,243	-	191,243	-
Granted during the period	95,338	-	-	-
Exercised during the period	(286,581)	-	-	-
Outstanding at 30 September	-	-	191,243	-
<b>Exercisable at 30 September</b>	-	-	105,344	-
<b>Exercisable at 1 October</b>	105,344	-	-	-

The aggregate of the estimated fair values of the awards granted during the year is £1.0 million (2021 £nil). The awards outstanding at 30 September 2021 had a weighted average remaining contractual life of 4.6 years.

During the period all the outstanding nil-cost option awards were exercised following the Group's go private transaction for consideration of £3.2 million.

# Financial Statements

## Notes to the accounts

### DMGT Long-Term Incentive Plan DMGT Long-Term Executive Incentive Plan Awards 2019 and 2020

These awards entitle participants (who are not Executive Directors) to a set number of shares further to a three-year restricted period. Awards are based on financial and individual performance for the previous financial year. The awards are settled in A Ordinary Non-Voting Shares based on the average share price for the first three days following release of the annual financial results or the date of employment.

During the period all the outstanding nil-cost option awards were exercised following the Group's go private transaction for consideration of £9.2 million.

### DMGT Long-Term Executive Director Incentive Plan Awards 2019, 2020 and 2021

The Executive Directors LTIPs spanned 12 years – three awards pursuant to which shares will accrue and be delivered at the end of a different ten-year period. The Executive Directors will therefore be strongly incentivised to deliver value creation through share price appreciation and dividend payments over that period.

The first two Awards to the Executive Directors under the Executive Director LTIP were made on 31 March 2021 covering the following periods: 1 October 2019 to 30 September 2029 and 1 October 2020 to 30 September 2030. The third Executive Director LTIP Award covering the period: 1 October 2021 to 30 September 2031 was made on 23 November 2021. This award was calculated by reference to the Volume Weighted Average of DMGT's share price (VWAP) in the twelve months period up to and including 22 November 2021, three days after DMGT's financial results for 2021 were announced. Each award was to vest on a graded vesting rather than straight line basis as a result of service conditions associated with each award. This results in a higher charge in the earlier years of the award. The charge for the period was £55.5 million (2021 £3.0 million).

The Executive Directors LTIPs were cancelled during the period and the participants' award shares were pro-rated vested. The dividend equivalent payment mechanism in the LTIP was calculated as if all dividends declared during the performance period were reinvested into DMGT shares on the date they would have been paid. This cash settlement of dividends was based on the full number of shares in the award i.e., not pro-rata. Accordingly, the Executive Directors received cash consideration of £18.7 million including a dividend equivalent payment of £15.8 million. It is the Board's intention that this award will be replaced with a three-year cash settled incentive plan.

	Year ended 30 September 2022 Number of share options	Year ended 30 September 2022 Weighted average exercise price £	Year ended 30 September 2021 Number of share options	Year ended 30 September 2021 Weighted average exercise price £
Outstanding at 1 October	6,604,794	-	2,603,313	-
Granted during the period	2,877,516	-	5,117,940	-
Forfeited during the period	(74,114)	-	-	-
Exercised during the period	(1,803,773)	-	(1,116,459)	-
Expired during the period	(6,232,361)	-	-	-
Modified during the period	(1,372,062)	-	-	-
<b>Outstanding at 30 September</b>	-	-	6,604,794	-
<b>Exercisable at 30 September</b>	-	-	-	-
<b>Exercisable at 1 October</b>	-	-	-	-

The aggregate of the estimated fair values of the awards granted during the year is £30.0 million (2021 £26.8 million). The awards outstanding at 30 September 2021 had a weighted average remaining contractual life of 7.4 years.

### Options under the DMGT Long-Term Incentive Scheme

The inputs into the Black-Scholes model at 30 September 2021 for the Executive Directors Long Term Incentive Plan awards with accrual schedules from 2019 to 2029 and 2020 to 2030 respectively were as follows:

Date of grant	3 February 2021	3 February 2021	23 November 2021
Market value of shares at date of grant (£)	6.82	7.39	10.92
Number of share options outstanding	-	-	-
Term of option (years)	10	10	10
Risk-free rate (%)	0.9	0.9	1.0
Expected dividend yield (%)	3.0	3.0	2.3
Volatility (%)	24.0	24.0	2.8
Fair value per option (£)	5.96	5.78	8.70

### Insurance Risk (RMS) Option Plans

RMS maintained a 2014 Equity Award Plan (2014 Plan) and a 2015 Equity Incentive Plan (2015 Plan). The 2014 Plan allowed grants of options and Restricted Stock Units (RSUs), both time and performance based, to employees, officers, directors and consultants of RMS. The 2015 Plan allowed grants of options to employees, officers, directors and consultants of RMS. Options granted under this plan had two vesting conditions – a service period and the occurrence of an initial public offering of RMS or an event in which the Group ceases to hold at least 50.0% of the voting rights of RMS.

On 20 July 2020, the 2015 Plan was modified such that vesting occurred only on the satisfaction of the service period. In addition, the modified plan allows for the granting of RSUs. RMS options under the 2014 and 2015 Plans were granted at market value and are settled in equity upon exercise. Following the Group's disposal of RMS to Moody's Corporation (Moody's) during the prior period, all vested RMS options were cancelled in exchange for cash payment equal to the market value of these options less the option cost; all unvested RMS options were cancelled in exchange for RSU awards in Moody's; and all RMS RSUs were converted into RSUs in Moody's.

### 42 Ultimate holding company

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

Daily Mail and General Trust plc is the only company in the Group to prepare Consolidated Financial Statements.

### 43 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. The transactions between the Group and its joint ventures and associates are disclosed below.

For the purposes of IAS 24, Related Party Disclosures, executives below the level of the Company's Board are not regarded as related parties.

The remuneration of the Directors at the year end, who are the key management personnel of the Group, is set out in aggregate in Note 6.

### 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 DMGT issued 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 represents 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.

### Transactions with Directors

During the year, Forsters LLP in which Mr A Lane, a Non-Executive Director of the Company, is a partner, provided legal services to the Company amounting to £170,899 (2021 £90,752). During the year, Dixon Wilson Chartered Accountants and H.W. Wood Ltd., in which Mr D Nelson, a Non-Executive Director of the Company, is a partner and director respectively, provided professional services to the Company amounting to £76,350 (2021 £30,500).

The charge to the Income Statement in relation to Directors' remuneration is as follows:

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
Salary and fees paid to Executive Directors	3.2	3.8
Fees paid to third parties and Non-Executive Directors	0.5	0.2
Annual bonuses	9.1	3.3
Long term incentives	56.9	17.1
Pension benefits	0.8	1.0
Other	0.2	0.3
	<b>70.7</b>	<b>25.7</b>

# Financial Statements

## Notes to the accounts

### Transactions with joint ventures and associates

Details of the Group's principal joint ventures and associates are set out in Note 24.

Associated Newspapers Ltd (ANL) has a 50.0% (2021 50.0%) shareholding in Northprint Manchester Ltd, a joint venture. The net amount due to ANL of £5.8 million (2021 £5.8 million) has been fully provided.

DMGV Ltd (DMGV) has a 23.9% (2021 23.9%) shareholding in Excalibur Holdco Ltd (Excalibur), an associate. During the year, services provided to Excalibur amounted to £0.3 million (2021 £0.3 million). At 30 September 2022, amounts due from Excalibur amounted to £nil (2021 £nil), together with loan notes of £17.3 million (2021 £17.3 million). The loan notes carry an annual coupon of 10.0% and £10.3 million (2021 £10.3 million) was outstanding in relation to this coupon at 30 September 2022. An expected lifetime impairment allowance of £12.0 million (2021 £12.0 million) has been made against the loan note and unpaid coupon balance.

DMGV has a 45.3% (2021 45.3%) shareholding in Yopa Property Ltd (Yopa), an associate. During the year, DMGV provided cash funding of £3.8 million (2021 £nil). At 30 September 2022, amounts due from Yopa amounted to £3.8 million (2021 £nil) convertible loan notes. The loan notes carry an annual coupon of 10.0% and £0.2 million (2021 £nil) was outstanding in relation to this coupon at 30 September 2022. The total loan amount due of £3.8 million has been fully provided. During the year, the Consumer Media segment provided services to Yopa amounting to £nil (2021 £0.1 million). Also, during the year, the Property Information segment paid referral fees of £2.8 million (2021 £2.9 million) and made sales of £nil (2021 £0.1 million) to Yopa.

DMGV has a 33.9% (2021 21.4%) shareholding in Quick Move Ltd, an associate. DMGV provided cash funding amounting to £0.4 million and £0.2 million of media credits (2021 £nil cash and £nil of media credits) during the year. In addition, DMGV also provided cash funding of £2.0 million convertible loan notes (2021 £nil). The loan notes carry an annual coupon of 10.0% and £0.2 million (2021 £nil) was accrued in relation to this coupon. On 6 September 2022, the loan notes and outstanding coupon were converted to Ordinary shares amounting to £2.2 million.

DMGV has a 20.1% (2021 20.1%) shareholding in Factory 14 S.a.r.l, an associate. DMGV provided cash funding amounting to £nil (2021 £8.6 million) during the year. At 30 September 2022, amounts due from Factory 14 amounted to £4.2 million loan notes. The loan notes carry an annual coupon of 8.0% and £0.2 million (2021 £nil) was outstanding in relation to this coupon at 30 September 2022. The total amount due of £4.4 million has been fully provided.

DMGV has a 21.5% (2021 20.0%) shareholding in Bloobloom Ltd, an associate. DMGV provided funding amounting to £1.0 million cash (2021 £0.8 million) and £nil of media credits (2021 £0.2 million) during the year.

DMGV has a 22.0% (2021 22.0%) shareholding in Kortext Ltd, an associate. DMGV provided cash funding amounting to £nil (2021 £16.6 million) during the year.

DMG Events (USA), Inc. has a 19.5% (2021 19.5%) shareholding in Whereoware, LLC, an associate. During the year, DMG Events (USA), Inc. received dividends of £0.1 million (2021 £0.1 million) from Whereoware, LLC.

DMGI Land & Property Europe Ltd (DMGILP), of which Landmark Information Group Ltd (Landmark) is a subsidiary undertaking, has a 50.0% (2021 50.0%) shareholding in PointX Ltd (PointX), a joint venture. During the year, Landmark charged management fees of £0.3 million (2021 £0.3 million) and recharged costs of £0.1 million (2021 £0.1 million) to PointX. DMGILP received dividends of £0.1 million (2021 £0.1 million) from PointX.

Decision Insight Information Group (UK) Ltd (DIIG UK), of which SearchFlow Ltd (SF) is a subsidiary undertaking, has a 50.0% (2021 50.0%) shareholding in Decision First Ltd (DF), a joint venture. During the year, DIIG UK recharged costs to DF amounting to £0.2 million (2021 £0.2 million) and charged management fees of £0.1 million (2021 £0.1 million). During the year, SF received dividends of £1.0 million (2021 £nil) from DF.

### Other related party disclosures

Under an agreement to guarantee the income generated from certain property assets held by the Harmsworth Pension Scheme which were purchased from the Group during a prior year, the Group was charged for rent and service charges in relation to the current year amounting to £0.2 million (2021 £0.2 million).

At 30 September 2022, the Group owed £1.1 million (2021 £1.0 million) to the pension schemes which it operates. This amount comprised employees' and employer's contributions in respect of September 2022 payrolls.

The Group recharges its principal pension schemes with costs of investment management fees. The total amount recharged during the year was £0.3 million (2021 £0.3 million).

Contributions made during the year to the Group's retirement benefit plans are set out in Note 34, along with details of the Group's future funding commitments.

ANL paid contributions to DMGT Healthcare Trustees totaling £1.1 million (2021 £0.9 million). At 30 September 2022, a total of £1.0 million (2021 £1.2 million) was owed to the scheme by ANL.

#### **44 Post balance sheet events**

##### **Acquisitions**

Following the year end the Group made the following acquisitions:

- (i) A £0.5 million investment in Napo Ltd, a pet insurance company, representing a 1.24% equity stake. The Group's investment comprised cash funding of £0.2 million and media credits of £0.3 million.
- (ii) An additional £0.9 million cash investment in convertible loan notes in Yopa Property Ltd, an associate, the online property portal.

##### **Disposals**

Following the year end the Group disposed of 4.2% of its stake in LineVision, Inc. an associate, for cash consideration of £0.9 million.

##### **Other**

Following the year end the Company bought back and cancelled £50.0 million nominal of its outstanding £200.0 million 2027 bonds for cash consideration of £46.6 million.

# Financial Statements

## Notes to the accounts

### 45 Subsidiaries exempt from audit

The following UK subsidiaries will take advantage of the audit exemption set out within Section 479A of the Companies Act 2006 for the year ending 30 September 2022:

Subsidiary name	Company registration number	Subsidiary name	Company registration number
Daily Mail and General Holdings Ltd	01693108	Searchflow Ltd	04084804
Daily Mail and General Investments Ltd	02251116	DMG Events (Conferences) Ltd	03410466
DMGB Ltd	04521116	Landmark Valuation Services Ltd	01670075
DMGV Ltd	05830195	Decision Insight Hub Ltd	04084803
Daily Mail International Ltd	01966438	Decision Insight Information Group (UK) Ltd	02099085
DMG Asset Finance Ltd	05528329	Millar & Bryce Ltd	SC134475
DMG Atlantic Ltd	04521108	dmgi Land and Property Europe Ltd	01163844
DMG Events International Ltd	04118004	OneSearch Direct Ltd	SC230285
DMG Information Ltd	03708142	dmg media Limited	05765286
DMGZ Ltd	00272225	Mail Finance Services Ltd	04282263
Northcliffe Media Ltd	03403993	Associated Print Holdings Limited	11573312
Ralph US Holdings	06341444	Associated Printing (Dinnington) Limited	11575473
Young Street Holdings Ltd	04485808	Associated Printing (Portsmouth) Limited	11575513
Trepp UK Ltd	03209327	Associated Printing (Cam) Limited	11575502

The Directors of Daily Mail and General Trust plc have confirmed that the Company will provide a guarantee under Section 479C in relation to the subsidiaries listed above.

No dormant subsidiaries have taken the exemption from preparing individual accounts by virtue of Section 394A of Companies Act 2006.

No dormant subsidiaries have taken the exemption from filing with the registrar individual accounts by virtue of Section 448A of Companies Act 2006.

The following UK subsidiaries will take advantage of the audit exemption set out within Section 480 of the Companies Act 2006, exemption from audit for dormant companies for the year ended 30 September 2022:

Subsidiary name	Company registration number	Subsidiary name	Company registration number
A&N Media Finance Services Ltd	03709742	Mail Finance Services Ltd	04282263
Abbey Newco Ltd	13550497	MailLife Financial Services Ltd	01063950
Central Independent News and Media Ltd	03015855	Northcliffe Trustees Ltd	03394992
Daily Mail Ltd	01160542	OneSearch Direct Group Ltd	SC202596
JPI Media Publications Ltd	11575526	The Mail on Sunday Ltd	01160545
Lincolnshire Media Ltd	00037928		

## 46 Full list of Group undertakings

Subsidiary name	Registered office	Country of incorporation or registration	Classes of shares held	% shareholding (% held directly by parent)
A&N Media Finance Services Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Abbey Newco Ltd	Ground Floor, 7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
AN Mauritius Ltd	10th Floor, Standard Chartered Tower, 19 Cybercity, Ebène, Mauritius	Mauritius	Ordinary	100%
Argyll Environmental Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary A	100%
Associated Newspapers (Ireland) Ltd	Top Floor, Two Haddington Buildings, 20-38 Haddington Road, Dublin 4, D04 HE94	Ireland	Ordinary	100%
Associated Newspapers Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Associated Newspapers North America, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common	100%
Associated Print Holdings Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Associated Printing (Carn) Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Associated Printing (Dinnington) Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Associated Printing (Portsmouth) Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Central Independent News and Media Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Coral Mint Ltd	Top Floor, Two Haddington Buildings, 20-38 Haddington Road, Dublin 4, D04 HE94	Ireland	Ordinary	100%
Daily Mail and General Holdings Ltd*	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Daily Mail and General Investments Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Daily Mail and General Trust plc	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary and A ordinary non voting	N/A
Daily Mail International Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Daily Mail Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Daily Mail On-Air, LLC	CSC Lawyers Incorporating Service, 2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833, United States	USA	Ordinary	100%
Dailymail.com Australia Pty Ltd	Level 12, 207 Kent Street, Sydney, NSW 2000	Australia	Ordinary	100%
Decision Insight Hub Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
Decision Insight Information Group (UK) Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
DMG Angex Ltd (in liq'n)	31st Floor, 40 Bank Street, London E14 5NR	UK	Ordinary	100%
DMG Asset Finance Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Atlantic Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Conference & Exhibition Services (Shanghai) Ltd	Room 428, Level 4, No 55 Xiya Road (Plot 5 Of Zone F), Shanghai, China	China	Ordinary	100%
DMG Connect, Inc	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common	100%
DMG Events (Canada), Inc.	1510 – 140 10 Avenue SE, Calgary, Alberta T2G 0R1, Canada	Canada	Ordinary	100%
DMG Events (Conferences) Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Events (Doha), LLC	Office 706, Palm Tower B, PO Box 3601, West Bay, Doha, Qatar	Qatar	Ordinary	100%
DMG Events (MEA) Ltd (in liq'n)	31st Floor, 40 Bank Street, London E14 5NR	UK	Ordinary	100%

## Financial Statements

### Notes to the accounts

DMG Events (PNG) Ltd	Level 3, Pacific Mmi Building, Port Moresby, National Capital District, Papua New Guinea	Papua New Guinea	Ordinary	100%
DMG Events (UK) Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Events (USA), Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common	100%
DMG Events Asia Pacific Pte Ltd	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	Singapore	Ordinary	100%
DMG Events Egypt Ltd	Office 1, Mezzanine Floor, Hall 2, Egypt International Exhibition Centre, Elmoushir Tantawy Axis, New Cairo, Egypt	Egypt	Ordinary	100%
DMG Events India Private Ltd	Level 4, Dynasty A Wing, Andheri Kurla Road, Mumbai- 400 059, Maharashtra, India	India	Ordinary	100%
DMG Events International Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Events, LLC	Office 408, Salama Tower, Al Madinah, Al Munawarah Road, As Salamah District, PO Box 3650, Jeddah, Saudi Arabia	Saudi Arabia	Ordinary	100%
DMG Exhibition Management Services (PTY) Ltd	76 Eleventh Street, Parkmore, Johannesburg, 2196, South Africa	South Africa	Ordinary	100%
DMG Information Hong Kong Company Ltd	14/F One Taikoo Place, 979 King's Rd, Quarry Bay, Hong Kong	Hong Kong	Ordinary	100%
DMG Information Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Media Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMG Nigeria Events Limited	Plot E, Ikosi Road, Oregon Industrial Estate, Ikeja, Lagos, Nigeria	Nigeria	Ordinary	49.0%
DMG World Media Abu Dhabi Ltd (i)	15 Esplanade, St Helier, JE1 1RB, Jersey, Channel Islands	Jersey	Ordinary	100%
DMG World Media Dubai (2006) Ltd (i)	15 Esplanade, St Helier, JE1 1RB, Jersey, Channel Islands	Jersey	Ordinary	100%
DMGB Ltd*	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
dmgi Land & Property Europe Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
DMGK Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Preference	75.0%
DMGT Air Holdings Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMGT US Employee Services, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common	100%
DMGV Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
DMGZ Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Entale Media Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary, Preference	100%
ES London Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Estate Technical Solutions Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary A	100%
JPIMedia Publications Ltd (in liq'n)	C/O Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London E14 5NR	UK	Ordinary	100%
Kingston Midco 1 Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Kingston Midco 2 Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Landmark Analytics Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
Landmark Information Group Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary, Ordinary A, Redeemable Preference	100%

Landmark Optimus Ltd	5-7 Abbey Court Eagle Way, Sowton Industrial Estate, Exeter, Devon EX2 7HY	UK	Ordinary A	100%
Landmark Valuation Services Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
Lincolnshire Media Ltd (in liq'n)	C/O Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London E14 5NR	UK	Ordinary	100%
Mail Finance Services Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Mail Force Charity CIO	Northcliffe House, 2 Derry Street, London W8 5TT	UK	-	100%
Mail Media, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Ordinary	100%
MailLife Financial Services Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Millar & Bryce Ltd	10th Floor 133 Finnieston Street, Glasgow, G3 8HB Scotland	UK	Ordinary	100%
Nalac Ltd	30 Morehampton Road, Dublin 4 D04 YN81, Ireland	Ireland	Ordinary	100%
New Scientist Group Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary, A1 Ordinary, A2 Ordinary, B1 Ordinary, B2 Ordinary	100%
New Scientist Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
New Scientist, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Ordinary	100%
Northcliffe Media Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Northcliffe Trustees Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary A, Ordinary B	100%
Ochresoft Technologies Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
OneSearch Direct Group Ltd	6th Floor, Skypark Sp1, 8 Elliot Place, Glasgow G3 8EP	UK	Ordinary	100%
OneSearch Direct Holdings Ltd	6th Floor, Skypark Sp1, 8 Elliot Place, Glasgow G3 8EP	UK	Ordinary A	100%
OneSearch Direct Ltd	6th Floor, Skypark Sp1, 8 Elliot Place, Glasgow G3 8EP	UK	Ordinary	100%
Ralph US Holdings	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
SearchFlow Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	UK	Ordinary	100%
Springthorpe Drake, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Ordinary	100%
The Mail on Sunday Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Trepp UK Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%
Trepp, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Ordinary	100%
Xceligent Inc (in liq'n)	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common, Series A preferred	86.8%
Young Street Holdings Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	100%

All subsidiaries are included in the consolidated financial statements of the Group.

\* Direct investment held by the parent Company Daily Mail and General Trust plc (DMGT). All other subsidiaries are held indirectly through subsidiaries of DMGT.

(i) Principal place of business in the UAE.

## Financial Statements

### Notes to the accounts

Joint Venture name	Address of principal place of business	Classes of shares held	Financial year end	% capital included in consolidation
Decision First Ltd	Cardinal House, 9 Manor Road, Leeds, West Yorkshire, LS11 9AH	Ordinary B	31 December	50.0%
Northprint Manchester Ltd	PO Box 68164, Kings Place, 90 York Way, London N1P 2 AP	Ordinary	30 September	50.0%
PointX Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	Ordinary B	31 March	50.0%

The Group has joint control over all of the joint ventures listed above, because key operating decisions require the unanimous consent of the Group and the other investor(s).

Associate name	Address of principal place of business	Country of incorporation or registration	Classes of shares held	% shareholding
Bloobloom Ltd	242 Acklam Road, Westbourne Studios Unit 209, London W10 5JJ	UK	Preference	21.5%
Conveyancing Information Executive Ltd	Alpha House, 4 Greek Street, Stockport, Cheshire SK3 8AB	UK	Limited by Guarantee	23.0%
Excalibur Holdco Ltd	Wowcher Limited, Dalston Works, 69 Dalston Lane, London E8 2NG	UK	B Ordinary	23.9%
Factory 14 S.a.r.l	53 boulevard Royale, L-2449, Luxembourg	Luxembourg	Preference	20.1%
Funcent DMG Information Technology Hong Kong Company Ltd	27/F 248 Queen's Road East, Wanchai, Hong Kong	Hong Kong	Ordinary	22.6%
Independent Television News Ltd	200 Grays Inn Road, London WC1X 8XZ	UK	Ordinary	20.0%
Kortext Ltd	26-32 Oxford Road, Suite B, 6th Floor, Avalon House, Bournemouth, Dorset, BH8 8EZ	UK	Ordinary, Preference	22.0%
Liases Foras Real Estate Rating and Research Private Ltd	S6, 2nd Floor, Pinnacle Business Park, Mahakali Cave Road, Andheri East, Mumbai, 400093 India	India	Equity, Series A CCCPS	30.5%
LineVision, Inc.	444 Somerville Ave, Somerville, 02413, MA, United States	USA	Series A1	24.1%
Propstack Services Private Ltd	1st & 2nd Floor, Nyay Sagar Bldg, Kalanagar, Bandra (East), Mumbai – 400 051, India	India	Equity, Series A CCCPS	22.7%
Quick Move Ltd	86-90 Paul Street, London EC2A 4NE	UK	Ordinary, Preference	33.9%
RLTO Ltd	Office 7 35-37 Ludgate Hill, London EC4M 7JN	UK	Ordinary	20.0%
Skymet Weather Services Private Ltd	109, Kushal Bazar, Nehru Place, New Delhi, 110019, India	India	Ordinary	15.9%
Whereoware, LLC	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Membership Interests	19.5%
Yopa Property Ltd	Suite 4, Building 4, Hatters Lane, Watford WD18 8YF	UK	Preference	45.3%

Investment name	Address of principal place of business	Country of incorporation or registration	Classes of shares held	% shareholding
Air Mail, LLC	Registered Agent Solutions, 9.E Lookerman Street, Suite 311, Dover, Kent, Delaware 19901, United States	USA	Preference	3.1%
BDG Media, Inc.	315 Park Avenue South, 11th Floor, New York, NY 10010	USA	Ordinary, Preference	3.4%

Believe in Science Ltd	Finsgate, 5-7 Cranwood Street, London EC1V 9EE	UK	Preference	2.5%
Bricklane Technologies Ltd	20 Baltic Street, London EC1Y 0UL	UK	Preference	13.2%
Compstak, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Common	2.0%
Cue Ball Capital, LP	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE 19801, United States	USA	Partnership Units	2.5%
Evening Standard Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	UK	Ordinary	5.0%
Farewill Ltd	1st Floor, 27 Downham Road, London N1 5AA	UK	Preference	5.4%
Financial Network Analytics Ltd	Albert House, 256-260 Old Street, London EC1V 9DD	UK	Ordinary	4.5%
Global Event Partners Ltd	Suite 1, 3rd Floor, 11-12 St. James's Square, London SW1Y 4LB	UK	Ordinary	15.0%
GPNutrition Ltd	24 Hills Road, Cambridge CB2 1JP	UK	Ordinary	13.9%
Hambro Perks Ltd	111 Buckingham Palace Road, London SW1W 0SR	UK	Ordinary	3.1%
IPSOX Group Ltd	Birchin Court, 20 Birchin Lane, London EC3V 9DU	UK	Ordinary	1.6%
L Lambert Holdings Ltd	411-413 Oxford Street, London W1C 2PE	UK	Ordinary	1.5%
Laundrapp Ltd (in liq'n)	2nd Floor 110 Cannon Street, London EC4N 6EU	UK	Preference	1.7%
Lindentor 226. V V GmbH	Charlottenstraße 4, Berlin, 10969, Germany	Germany	Preference	0.1%
Live Better With Ltd	70 White Lion Street, Islington, London N1 9PP	UK	Ordinary B	4.6%
Media Investors 17, LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE 19801, United States	USA	Ordinary	12.8%
OceanSaver Ltd	3 Park Square East, Leeds LS1 2NE	UK	Ordinary A	5.0%
PA Media Group Ltd	The Point, 37 North Wharf Road, Paddington, London W2 1AF	UK	Ordinary	18.4%
Papier Ltd	Third Floor, 20 Old Bailey, London EC4M 7AN	UK	Ordinary, Series C Preference	4.2%
Pascal Metrics, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	USA	Ordinary	4.4%
Pembroke Holdings, LLC	485 West Putham Avenue, Greenwich, CT, 06830, United States	USA	Membership Interests	10.0%
Plandek Ltd	C/O Praxis, 1 Poultry, London EC2R 8EJ	UK	Ordinary B	2.5%
Plum Fintech Ltd	2-7 Clerkenwell Green, 2nd Floor, London EC1R 0DE	UK	Series A Preference	2.3%
Stem, Inc.	100 California St, 14th Floor, San Francisco, CA 94111, United States	USA	Common	0.2%
Taboola.com Ltd	7 Totseret Haaretz St., Tel-Aviv Israel	Israel	Ordinary	0.3%
Upstream Group, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE 19801, United States	USA	Ordinary	3.6%
WellAware Holdings, Inc.	3424 Paesanos Parkway, Suite 200, San Antonio, Texas 78231, United States	USA	Preference	3.4%
	SAN ANTONIO TX 78231			
Workana, LLC	120 East 56th Street, Suite 420, New York, NY 10022, United States	USA	Membership interests	3.8%
Zapkey Technologies Private Limited	B1 1401, Godrej Platinum Pirojshanagar, Vikhroli East, Mumbai, Maharashtra, 400079, India	India	Equity, CCPS	5.0%
Zilch Technology Ltd	123 Buckingham Palace Road, London SW1W 9SH	UK	Ordinary	1.1%

# Unaudited Five Year Financial Summary

## Consolidated Income Statement

For the year ended 30 September	Year ended 30 September 2018 £m	Year ended 30 September 2019 £m	Year ended 30 September 2020 £m	Year ended 30 September 2021 £m	Year ended 30 September 2022 £m
<b>Revenue</b>	1,340.9	1,337.0	870.2	885.3	<b>974.0</b>
Adjusted operating profit	144.6	135.8	48.7	65.5	<b>58.8</b>
Exceptional operating costs, impairment of internally generated and acquired computer software, property, plant and equipment and investment property, amortisation and impairment of acquired intangible assets arising on business combinations and impairment of goodwill	(94.8)	(41.2)	(40.9)	(61.6)	<b>(100.5)</b>
<b>Operating (loss)/profit before share of results and impairment of joint ventures and associates</b>	49.8	94.6	7.8	3.9	<b>(41.7)</b>
Share of results and impairment of joint ventures and associates and loans to associates	118.4	(28.1)	(10.7)	(9.8)	<b>(45.3)</b>
<b>Total operating (loss)/profit</b>	168.2	66.5	(2.9)	(5.9)	<b>(87.0)</b>
Other gains and losses	565.5	73.7	42.1	14.3	<b>30.8</b>
<b>(Loss)/profit before investment revenue, net finance costs and tax</b>	733.7	140.2	39.2	8.4	<b>(56.2)</b>
Investment revenue	4.8	11.5	7.0	2.3	<b>2.8</b>
Net finance costs	(32.0)	(17.4)	(12.5)	(13.1)	<b>(6.7)</b>
<b>(Loss)/profit before tax</b>	706.5	134.3	33.7	(2.4)	<b>(60.1)</b>
Tax	(7.6)	(20.4)	2.0	62.2	<b>(85.6)</b>
<b>(Loss)/profit for the year after tax</b>	698.9	113.9	35.7	59.8	<b>(145.7)</b>
<b>Discontinued operations</b>	(10.7)	(22.6)	153.3	1,480.1	<b>11.6</b>
Non-controlling interests	1.2	(0.4)	0.3	2.4	<b>0.3</b>
<b>(Loss)/profit for the year</b>	689.4	90.9	189.3	1,542.3	<b>(133.8)</b>
<b>Adjusted profit before tax and non-controlling interests</b>	182.3	144.7	72.1	88.1	<b>39.3</b>
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	287.7	205.6	142.5	154.0	<b>89.5</b>
<b>Adjusted profit after taxation and non-controlling interests</b>	149.3	114.5	59.4	71.3	<b>29.8</b>

# Financial Statements

## Unaudited Five Year Financial Summary

### Consolidated Cash Flow Statement

For the year ended 30 September	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m
<b>Net cash (outflow)/inflow from operating activities</b>	115.0	154.8	142.5	106.2	<b>(376.5)</b>
Investing activities	481.3	221.1	173.2	1,274.0	<b>118.7</b>
Financing activities	(169.4)	(533.3)	(114.1)	(102.1)	<b>(1,464.1)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	426.9	(157.4)	201.6	1,278.1	<b>(1,721.9)</b>
Cash and cash equivalents at beginning of year	7.4	435.9	289.2	479.9	<b>1,745.2</b>
Exchange gain/(loss) on cash and cash equivalents	1.6	10.7	(10.9)	(12.8)	<b>29.0</b>
<b>Cash and cash equivalents at end of year</b>	435.9	289.2	479.9	1,745.2	<b>52.3</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	426.9	(157.4)	201.6	1,278.1	<b>(1,721.9)</b>
Cash inflow from change in debt and finance leases	268.4	2.5	32.3	14.0	<b>27.0</b>
<b>Change in net debt from cash flows</b>	695.3	(154.9)	233.9	1,292.1	<b>(1,694.9)</b>
Other non-cash items	1.7	4.1	(130.9)	28.1	<b>7.8</b>
<b>(Increase)/decrease in net debt in the year</b>	697.0	(150.8)	103.0	1,320.2	<b>(1,687.1)</b>
<b>Net cash/(debt) at start of year</b>	(464.3)	232.7	81.9	184.9	<b>1,505.1</b>
<b>Net (debt)/cash at end of year</b>	232.7	81.9	184.9	1,505.1	<b>(182.0)</b>

### Consolidated Statement of Financial Position

At 30 September	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m
Goodwill and intangible assets	464.4	321.1	350.3	301.1	<b>280.9</b>
Property, plant and equipment	99.7	74.4	63.0	55.4	<b>50.2</b>
Right of use assets	-	-	89.8	34.7	<b>31.3</b>
Other investments including joint ventures and associates	790.9	132.8	467.7	876.9	<b>98.8</b>
Other non-current assets	353.3	322.8	239.0	452.0	<b>1,069.7</b>
<b>Non-current assets</b>	1,708.3	851.1	1,209.8	1,720.1	<b>1,530.9</b>
<b>Net current assets/(liabilities)</b>	217.7	155.0	260.5	1,615.4	<b>(108.3)</b>
<b>Non-current liabilities</b>	(250.6)	(231.8)	(324.1)	(253.4)	<b>(422.1)</b>
<b>Net assets</b>	1,675.4	774.3	1,146.2	3,082.1	<b>1,000.5</b>
<b>Shareholders' equity</b>					
Called-up share capital	45.3	29.3	29.3	29.3	<b>28.8</b>
Share premium account	17.8	17.8	17.8	17.8	<b>17.8</b>
Other reserves	1.3	24.4	28.2	(7.6)	<b>22.0</b>
Non-controlling interests	13.5		1.0	(1.5)	<b>(2.0)</b>
Retained earnings	1,597.5	702.8	1,069.9	3,044.1	<b>933.9</b>
<b>Total equity</b>	1,675.4	774.3	1,146.2	3,082.1	<b>1,000.5</b>

Financial Statements

### Shareholder information

At 30 September	2018	2019	2020	2021	2022
<b>Dividend per share *</b>	23.30p	23.90p	24.10p	24.90p	<b>653.53p</b>

\*Represents the dividends declared by the Directors in respect of the above years excluding the Euromoney cash distributions and Euromoney dividend in specie.

# Company Statement of Financial Position

At 30 September 2022

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixtures, fittings and artwork	7	1.2	-
Shares in Group undertakings	8	1,350.2	2,914.4
Financial assets at fair value through Other Comprehensive Income	9	3.6	-
Other financial assets	11	-	120.7
Trade and other receivables	10	11.9	0.4
		<b>1,366.9</b>	<b>3,035.5</b>
<b>Current assets</b>			
Trade and other receivables	10	114.5	42.8
Cash at bank and in hand	12	25.1	1,246.4
Deferred tax	13	1.6	12.2
		<b>141.2</b>	<b>1,301.4</b>
<b>Total assets</b>		<b>1,508.1</b>	<b>4,336.9</b>
<b>LIABILITIES</b>			
<b>Creditors: amounts falling due within one year</b>			
Trade and other payables	14	(23.2)	(296.2)
Borrowings	14	(0.4)	(1.0)
Provisions	16	(34.5)	(23.1)
		<b>(58.1)</b>	<b>(320.3)</b>
<b>Creditors: amounts falling due after more than one year</b>			
Borrowings	15	(194.6)	(199.5)
Derivative financial liabilities	15	(19.5)	(17.2)
		<b>(214.1)</b>	<b>(216.7)</b>
<b>Total liabilities</b>		<b>(272.2)</b>	<b>(537.0)</b>
<b>Net assets</b>		<b>1,235.9</b>	<b>3,799.9</b>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital		28.8	29.3
Share premium account	17	17.8	17.8
<b>Share capital</b>		<b>46.6</b>	<b>47.1</b>
Reserve for own shares	17	-	(35.5)
Capital redemption reserve	18	21.7	21.2
Profit and loss account	19	1,167.6	3,767.1
<b>Equity shareholders' funds</b>		<b>1,235.9</b>	<b>3,799.9</b>

Financial Statements

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company income statement. The loss for the Company for the year was £400.6 million (2021 profit of £1,134.7 million).

The financial statements on pages 137 to 147 were approved by the Directors and authorised for issue on 29 November 2022. They were signed on their behalf by:

The Viscount Rothermere  
Director



# Financial Statements

## Company Statement of Changes in Equity

For the year ended 30 September 2022

	Called-up share capital	Share premium account	Capital redemption reserve	Reserve for own shares	Profit and loss account	Total
	£m	£m	£m	£m	£m	£m
<b>At 1 October 2020</b>	<b>29.3</b>	<b>17.8</b>	<b>21.2</b>	<b>(59.3)</b>	<b>2,668.6</b>	<b>2,677.6</b>
Profit for the year	-	-	-	-	1,134.7	1,134.7
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,134.7</b>	<b>1,134.7</b>
Dividends paid	-	-	-	-	(55.0)	(55.0)
Fair value movement of financial assets at fair value through Other Comprehensive Income	-	-	-	-	0.4	0.4
Credit to equity for share-based payments	-	-	-	-	25.5	25.5
Deferred tax on share-based payments	-	-	-	-	3.6	3.6
Own shares acquired in the year	-	-	-	(1.0)	-	(1.0)
Settlement of exercised share options	-	-	-	-	(16.0)	(16.0)
Own shares released on vesting of share options	-	-	-	24.8	5.3	30.1
<b>At 30 September 2021</b>	<b>29.3</b>	<b>17.8</b>	<b>21.2</b>	<b>(35.5)</b>	<b>3,767.1</b>	<b>3,799.9</b>
Loss for the year	-	-	-	-	(400.6)	(400.6)
Fair value movement of financial assets at fair value through Other Comprehensive Income	-	-	-	-	(713.8)	(713.8)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,114.4)</b>	<b>(1,114.4)</b>
Cancellation of A Ordinary Non-voting shares	(0.5)	-	0.5	28.9	(28.9)	-
Dividends paid	-	-	-	-	(1,356.4)	(1,356.4)
Cazoo dividend in specie	-	-	-	-	(109.8)	(109.8)
Credit to equity for share based payments	-	-	-	-	51.5	51.5
Deferred tax on share based payments	-	-	-	-	(4.4)	(4.4)
Settlement of exercised share options	-	-	-	-	(40.0)	(40.0)
Own shares released on vesting of share options	-	-	-	6.6	2.9	9.5
<b>At 30 September 2022</b>	<b>28.8</b>	<b>17.8</b>	<b>21.7</b>	<b>-</b>	<b>1,167.6</b>	<b>1,235.9</b>

## Financial Statements

# Notes to the Company Statement of Financial Performance

### 1 Basis of preparation

Daily Mail and General Trust plc (DMGT) is an unlisted public limited company incorporated and domiciled in the United Kingdom. The address of the registered office is Northcliffe House, 2 Derry Street, London, W8 5TT, England.

The financial statements of DMGT have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention or historic cost modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss, and in accordance with the Companies Act 2006 and on a going concern basis. 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. See Note 2 for further detail.

All amounts presented have been rounded to the nearest £0.1 million.

### Profit for the financial year

As permitted by Section 408 of the Companies Act 2006, a separate profit and loss account for the Company has not been included in these accounts. The Company's loss after tax for the year was £400.6 million (2021 profit of £1,134.7 million). This includes dividends receivable from subsidiary undertakings amounting to £1,275.4 million (2021 £1,565.9 million).

### Impact of amendments to accounting standards

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).

### 2 Significant accounting policies

The significant 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.

#### Foreign exchange

Transactions in currencies other than the Company's reporting currency are recorded at the exchange rate prevailing on the date of the transaction. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing on the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit and loss account for the year.

#### Investments in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less any provision for impairment.

#### Financial assets at fair value through Other Comprehensive Income

Financial assets are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are measured at fair value, including transaction costs.

As permitted by IFRS 9, the Group classifies its equity investments at Fair Value through Other Comprehensive Income. All fair value movements are recorded in Other Comprehensive Income and gains and losses are not recycled to the Income Statement on disposal.

Dividend income from Financial assets held at fair value through other comprehensive income is recorded in the Income Statement.

Unlisted equity investments are valued using a variety of approaches including comparable company valuation multiples and discounted cashflow techniques. In extremely limited circumstances, where insufficient recent information is available to measure fair value or when there is a wide range of possible fair value measurements, cost is used since this represents the best estimate of fair value in the range of possible valuations.

The fair value of listed equity investments is determined based on quoted market prices.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is provided in full on timing differences that result in an obligation at the reporting date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is not discounted.

## **Financial instruments disclosures**

### **Financial assets**

#### **Trade and other receivables**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The majority of other receivables relate to amounts owed by subsidiary undertakings. Further information concerning interest charged on these receivables is set out in Note 10.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, short-term deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### **Financial liabilities and equity instruments**

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

#### **Trade and other payables**

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

#### **Capital market and bank borrowings**

Interest bearing loans and overdrafts are initially measured at fair value (which is equal to net proceeds at inception), and are subsequently measured at amortised cost, using the effective interest rate method. A portion of the Company's bonds are subject to fair value hedge accounting and this portion of the carrying value is adjusted for the movement in the hedged risk to the extent hedge effectiveness is achieved. Any difference between the proceeds, net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowing.

#### **Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

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.

#### **Derivative financial instruments and hedge accounting**

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses various derivative financial instruments to manage its exposure to these risks.

The use of financial derivatives is set out in Note 33 of the Group's Annual Report. The Company does not use derivative financial instruments for speculative purposes.

The Company does not apply hedge accounting except for fair value hedges. Gains and losses arising on derivatives that form part of net investment hedge or cash flow hedge relationships in the consolidated financial statements are recorded in the profit and loss account in the Company.

#### **Financial instruments – disclosures**

The Company has taken advantage of the exemption provided in IFRS 7, Financial Instruments: Disclosures and included disclosures relating to financial instruments in Note 33 of the Group's Annual Report.

#### **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 Company has taken advantage of the exemptions of IAS 24, Related Party Disclosures and included disclosures relating to related parties in Note 43 of the Group's Annual Report.

#### **Share-based payments**

The Company operates the Group's LTIP and other Group share-based payment schemes, details of which can be found in Note 41 of the Group's Annual Report.

# Financial Statements

## Notes to the Company Statement of Financial Performance

### Retirement benefits

The defined benefit pension schemes' surpluses/deficits have been allocated to Group companies on a buy-out basis – that is of an estimate of the liabilities and assets of the defined benefit schemes as at 30 September 2022. Accordingly the Company has not recorded an asset or liability in relation to the Group's defined benefit scheme.

Further information can be found in Note 34 of the Group's Annual Report.

### Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the period end date and are discounted to present value where the effect is material.

### Critical accounting judgements and key sources of estimation uncertainty

The following represents the key source of estimation uncertainty that has the most significant effect on the amounts recognised in the financial statements:

#### Impairment

Impairment reviews are performed when there is an indicator that the carrying value of the shares in Group undertakings could exceed their recoverable values based on their value in use or fair value less costs to sell. Value in use is calculated by discounting future expected cash flows. These calculations use cash flow projections based on Board-approved budgets and forecasts which reflect management's current experience and future expectations of the markets in which the Group undertaking operates.

Risk adjusted pre-tax discount rates used by the Company in its impairment tests range from 12.1% to 25.9% (2021 10.9% to 30.0%), the choice of rates depending on the risks specific to that cash generating unit (CGU). The cash flow projections consist of a Board-approved budget for the following year, outlooks for the preceding four years with nominal long-term growth rates beyond these periods. The nominal long-term (decline)/growth rates range from -3.0% to 6.9% (2021 -3.0% to 4.0%) and vary with management's view of the CGU's market position, maturity of the relevant market and do not exceed the long-term average growth rate for the industry in which the CGU operates.

The carrying value of the investment in Group undertakings is £1,350.2 million (2021 £2,914.4 million).

Using the criteria above the Company has provided a sensitivity analysis of the key assumptions used to support the carrying value of its investments in Group undertakings.

If the growth rate assumptions above were reduced by 1.0% this would increase the impairment by £108.2 million. If the growth rate assumptions above were increased by 1.0% this would reduce the impairment by £137.7 million.

If the discount rate assumptions above were reduced by 1.0% this would reduce the impairment by £133.3 million. If the discount rate assumptions above were increased by 1.0% this would increase the impairment by £110.9 million.

#### Legal claim provision

DMGT and certain of its subsidiaries are involved in various lawsuits and claims which arise in the course of business. The Group records a provision for these matters when it is probable that a liability will be incurred and the amount of the loss can be reasonably estimated.

The amounts accrued for legal contingencies often result from complex judgements about future events and uncertainties that rely heavily on estimates and assumptions.

As disclosed in Note 18 Discontinued operations, Genscape has been involved in a dispute with the US Environmental Protection Agency (EPA) since 2016. In 2017 Genscape voluntarily paid a 2.0% liability cap associated with invalid Renewable Identification Numbers (RINs) at a cost of US\$1.3 million, based on the then-prevailing market rates, subject to a reservation of rights. However, during 2019 the EPA ordered Genscape to replace 69.2 million additional RINs it had verified.

During the period a settlement agreement was reached with the EPA whereby the Company without admitting any wrongdoing, will replace 24 million RINs over a four-year period.

At each period end IAS 37 requires DMGT to review this provision and make appropriate adjustments to reflect the current status of the claim. The Group's closing provision includes the cost of replacement RINs, estimated purchase costs, associated legal fees and currency fluctuations. The final settlement amount may be different than the provision made, however, it is not possible for the Group to predict with any certainty the potential impact of this litigation or to quantify the ultimate cost of a verdict or resolution. Accordingly, the provision could change substantially over time as the dispute progresses and new facts emerge.

RINs trade in a volatile range, using the period end price of US\$1.74 compared to the estimated future forecast price of US\$1.51 would increase the provision by approximately US\$3.1 million (£2.7 million).

### 3 Auditor's remuneration

Statutory audit fees relating to the Company amounted to £0.8 million (2021 £1.1 million).

### 4 Employees

	Year ended 30 September 2022 Number	Year ended 30 September 2021 Number
Average number of persons employed by the Company:		
Administration	7	7
Directors	3	3
	<b>10</b>	<b>10</b>

	Year ended 30 September 2022 £m	Year ended 30 September 2021 £m
<b>Total staff costs comprised:</b>		
Wages and salaries	16.3	10.7
Share-based payments	43.2	15.7
Social security costs	3.1	4.5
Pension costs	-	0.1
	<b>62.6</b>	<b>31.0</b>

The remuneration of the Directors of the Company during the year are disclosed in Note 6 of the Group's Annual Report.

### 5 Tax

There was a current tax credit for the year of £2.1 million (2021 £12.6 million).

### 6 Dividends

On 14 December 2021, a special dividend was declared to all DMGT shareholders with a record date of 16 December 2021. It was comprised of a cash element of £5.68 per share and a share element of approximately 0.5749 shares in Cazoo Group Ltd (Cazoo) per DMGT share. Settlement of the cash element of £1,310.3 million occurred on 30 December 2021 and settlement of the Cazoo share element of £109.8 million occurred on 24 June 2022.

Following the year end, the Board declared and paid an interim dividend of £5.4 million at its 1 November 2022 meeting (2.0 pence per Ordinary/A Ordinary Non-Voting Share).

The Board declared a final dividend of 3.78 pence per Ordinary/A Ordinary Non-Voting Share at its 29 November 2022 meeting (2021 17.3 pence). It will absorb an estimated £8.7 million (2021 £39.8 million) of shareholders' equity for which no liability has been recognised in these Consolidated Financial Statements.

## Financial Statements

Notes to the Company Statement  
of Financial Performance

## 7 Fixtures, fittings and artwork

	£m
<b>Cost</b>	
<b>At 1 October 2020 and 30 September 2021</b>	0.9
Additions	1.2
<b>At 30 September 2022</b>	<b>2.1</b>
<b>Accumulated depreciation</b>	
<b>At 1 October 2020</b>	(0.6)
Charge for the year	(0.3)
<b>At 30 September 2021</b>	<b>(0.9)</b>
Charge for the year	-
<b>At 30 September 2022</b>	<b>(0.9)</b>
Net book value - 2020	0.3
Net book value - 2021	-
<b>Net book value - 2022</b>	<b>1.2</b>

## 8 Shares in Group undertakings (listed on pages 130 to 132)

	Note	Cost £m	Provision £m	Net book value £m
<b>At 1 October 2020</b>		3,581.0	(412.6)	3,168.4
Additions		110.4	-	110.4
Impairment charge		-	(364.4)	(364.4)
<b>At 30 September 2021</b>		3,691.4	(777.0)	2,914.4
Additions		8.4	-	8.4
Impairment charge	(i)	-	(1,572.6)	(1,572.6)
<b>At 30 September 2022</b>		<b>3,699.8</b>	<b>(2,349.6)</b>	<b>1,350.2</b>

	Cost £m	Provision £m	Total £m
<b>Analysis of movements in the year:</b>			
Daily Mail and General Holdings Ltd	8.4	(1,149.2)	(1,140.8)
DMGB Ltd	-	(423.4)	(423.4)
	<b>8.4</b>	<b>(1,572.6)</b>	<b>(1,564.2)</b>

(i) The impairment charge arose as a result of dividends paid by subsidiaries together with value in use reductions during the year.

## 9 Financial assets at fair value through Other Comprehensive Income

	Note	£m
<b>At 1 October 2020</b>		1.0
Disposal	(i)	(1.4)
Fair value movement		0.4
<b>At 30 September 2021</b>		-
Additions	(ii)	827.2
Cazoo dividend in specie	(ii)	(109.8)
Fair value movement		(713.8)
<b>At 30 September 2022</b>		<b>3.6</b>

(i) The disposal in the prior year relates to the Company's investment in Financial Network Analytics Ltd which was transferred to DMGV Ltd, a subsidiary undertaking, during the year.

- (ii) The additions during the year relate to the Company's investments in Stem, Inc. and Cazoo Group Ltd (Cazoo). Cazoo was distributed as dividend in specie from Daily Mail and General Holdings Ltd, a subsidiary undertaking. The investment in Cazoo was later distributed as dividend in specie to the Company's shareholders.

Details of the Company's financial assets at fair value through Other Comprehensive Income are included in Note 25 and the financial instruments disclosures are set out in Note 33 of the Group's Annual Report.

## 10 Trade and other receivables

	Note	At 30 September 2022 £m	At 30 September 2021 £m
<b>Amounts falling due after more than one year</b>			
Derivative financial assets	(i)	11.9	0.4
<b>Amounts falling due within one year</b>			
Amounts owed by Group undertakings		108.2	11.2
Other financial assets	(ii)	5.1	9.2
Prepayments and accrued income		0.6	0.5
Other receivables		0.6	9.0
Corporation tax		-	12.5
Derivative financial assets	(i)	-	0.4
		<b>114.5</b>	<b>42.8</b>

(i) Details of the Company's derivative financial assets are set out in Note 33 of the Group's Annual Report.

(ii) The Company deposits collateral with its bank counterparties with whom it has entered into a credit support annex to an ISDA (International Swaps and Derivatives Association) Master Agreement. This represents cash that cannot be readily used in operations.

## 11 Other financial assets

	Note	At 30 September 2022 £m	At 30 September 2021 £m
Escrow	(i)	-	120.7

(i) See Note 28 of the Group's Annual Report for further details.

## 12 Cash at bank and in hand

	At 30 September 2022 £m	At 30 September 2021 £m
Cash at bank and in hand	25.1	1,246.4

## 13 Deferred tax

Movements on the deferred tax asset were as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	<b>12.2</b>	<b>6.7</b>
Share-based payments	(4.4)	3.6
Tax charge for the year	(6.2)	1.9
<b>At end of year</b>	<b>1.6</b>	<b>12.2</b>

# Financial Statements

## Notes to the Company Statement of Financial Performance

In the opinion of the Directors, it is more likely than not that the Company will be able to recover the deferred tax asset against suitable future taxable profits generated by its subsidiary undertakings.

### 14 Creditors: amounts falling due within one year

		At 30 September 2022	At 30 September 2021
	Note	£m	£m
Bank overdrafts		0.4	1.0
Interest payable		3.6	3.6
Amounts owing to Group undertakings	(i)	6.3	254.1
Accruals and deferred income		13.2	38.3
Other payables		0.1	0.2
		<b>23.6</b>	<b>297.2</b>

(i) Amounts owing to Group undertakings are repayable on demand and bear interest of UK bank base rate plus 0.5%.

### 15 Creditors: amounts falling due after more than one year

		At 30 September 2022	At 30 September 2021
	Note	£m	£m
6.375 % Bonds 2027		194.6	199.5
Derivative financial liabilities	(i)	19.5	17.2
		<b>214.1</b>	<b>216.7</b>

The nominal values of the bonds are as follows:

	At 30 September 2022	At 30 September 2021
	£m	£m
6.375 % Bonds 2027	200.0	200.0

(i) Details of the Company's derivative financial liabilities are set out in Note 33 of the Group's Annual Report.

The Company's bonds have been adjusted from their nominal values to take account of direct issue costs, discounts and movements in hedged risks. The issue costs and discounts are being amortised over the expected lives of the bonds using the effective interest method. The unamortised issue costs amount to £0.3 million (2021 £0.3 million) and the unamortised discount amounts to £0.5 million (2021 £0.6 million).

The Company used interest rate swaps designated as hedges of a proportion of the change in fair value of the Company's bonds. Following termination of the last remaining interest rate swap on 21 June 2022, the residual bond fair value adjustment of £4.9 million is required to be amortised over the period to 21 June 2027 being the maturity of the bond. Amortisation charged in the year amounts to £0.3 million leaving an unamortised residual fair value adjustment of £4.6 million.

Following the year end the Company bought back and cancelled £50.0 million nominal of its outstanding £200.0 million 2027 bonds for cash consideration of £46.6 million.

Details of the fair value of the Company's bonds are set out in Note 32 of the Group's Annual Report.

The bonds are subject to fair value hedging using derivatives as set out in Note 33 of the Group's Annual Report. Consequently, their carrying value is also adjusted to take into account the effects of this hedging activity.

The book value of the Company's other borrowings equates to fair value.

The maturity profile of the Company's borrowings is as follows:

	Overdrafts £m	Bonds £m	Owed to group undertakings £m	Total £m
<b>Year ended 30 September 2022</b>				
Within one year	0.4	-	6.3	6.7
Between two and five years	-	194.6	-	194.6
	0.4	194.6	6.3	201.3
<b>Year ended 30 September 2021</b>				
Within one year	1.0	-	254.1	255.1
Over five years	-	199.5	-	199.5
	1.0	199.5	254.1	454.6

## 16 Provisions

	Note	At 30 September 2022 £m	At 30 September 2021 £m
Other provisions	(i)	34.5	23.1

Movements on other provisions were as follows:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	23.1	-
Additions	11.4	23.1
<b>At end of year</b>	34.5	23.1

- (i) The provision above relates to the EPA claim against the Group's Energy Information segment (Genscape). Notwithstanding the sale of Genscape to Verisk during 2019, DMGT plc is responsible for any costs, claims or awards and all settlement negotiations with the EPA. See Note 18 of the Group's Annual report for further details.

## 17 Capital and Reserves

Share premium account:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start and end of year</b>	17.8	17.8

Reserve for own shares:

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	(35.5)	(59.3)
Additions	-	(1.0)
Own shares released on vesting of share options	6.6	24.8
Own shares cancelled	28.9	-
<b>At end of year</b>	-	(35.5)

The Company's investment in its own shares represented shares held in treasury and shares held by an employee benefit trust to satisfy incentive schemes. At 30 September 2022, this investment comprised the cost of nil A Ordinary Non-Voting Shares (2021 4,115,021 shares) held in treasury and nil A Ordinary Non-Voting Shares (2021 875,450 shares) held in the employee benefit trust. The market value of the Treasury Shares at 30 September 2022 was £nil (2021 £44.1 million) and the market value of the shares held in the employee benefit trust at 30 September 2022 was £nil (2021 £9.4 million).

## Financial Statements

## Notes to the Company Statement of Financial Performance

The employee benefit trust is independently managed and purchased shares in order to satisfy outstanding share options and potential awards under equity-settled long-term incentive plans.

The Reserve for own shares is considered to be a realised loss for the purposes of calculating distributable reserves.

### 18 Capital redemption reserve

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	<b>21.2</b>	21.2
On cancellation of A Ordinary Non-Voting Shares	<b>0.5</b>	-
<b>At end of year</b>	<b>21.7</b>	21.2

### 19 Profit and loss account

	At 30 September 2022 £m	At 30 September 2021 £m
<b>At start of year</b>	<b>3,767.1</b>	2,668.6
Net (loss)/profit for the year	<b>(400.6)</b>	1,134.7
Dividends paid	<b>(1,356.4)</b>	(55.0)
Cazoo dividend in specie	<b>(109.8)</b>	-
Fair value movement of financial assets at fair value through Other Comprehensive Income	<b>(713.8)</b>	0.4
On cancellation of A Ordinary Non-Voting Shares	<b>(28.9)</b>	-
Other movements on share option schemes	<b>10.0</b>	18.4
<b>At end of year</b>	<b>1,167.6</b>	3,767.1
<b>Total reserves</b>	<b>1,207.1</b>	3,770.6

The Directors estimate that £113.4 million of the Company's profit and loss account reserve is not distributable (2021 £1,807.3 million).

### 20 Contingent liabilities and guarantees

At 30 September 2022 the Company had guaranteed subsidiaries' outstanding derivatives which had a mark to market liability valuation of £nil (2021 £nil) and letters of credit with a principal value of £2.0 million (2021 £3.3 million).

### 21 Ultimate holding company

The Company's immediate 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 DMGT issued 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.

### 22 Post balance sheet events

Details of the Company's post balance sheet events can be found within Note 44 of the Group's Annual Report.