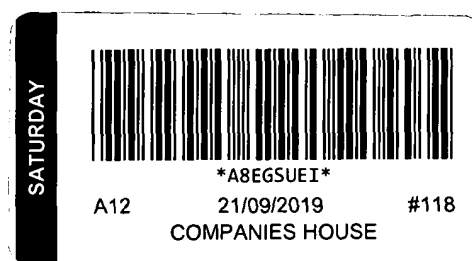


Company Registration No. 02691521

VIKING DIRECT (HOLDINGS) LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2018



VIKING DIRECT (HOLDINGS) LIMITED

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VIKING DIRECT (HOLDINGS) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N Maslen (resigned 26 March 2019)
M Walby (appointed 26 September 2018)
M Horn (resigned 13 April 2018)
G Wiseman (appointed 11 June 2019)

COMPANY SECRETARY

Jacqueline Hills

REGISTERED OFFICE

501 Beaumont Leys Lane
Leicester
Leicestershire
LE4 2BN

AUDITOR

KPMG LLP
Statutory Auditor
St Nicholas House
31 Park Row
Nottingham
NG1 6FQ
United Kingdom

VIKING DIRECT (HOLDINGS) LIMITED

STRATEGIC REPORT

The director prepares their strategic report on the affairs of the company for the year ended 31 December 2018. The director in preparing this strategic report, has complied with S414C of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of an intermediary holding company. It is not anticipated that there will be any changes to the principal activity of the company in the near future.

REVIEW OF THE BUSINESS

The directors consider that the level of activity within the company during the year and the financial position at the year end is consistent with the expectations set out on incorporation. The director expects that the objectives of the company will continue to be sustainable for the foreseeable future.

FUTURE DEVELOPMENTS

The directors do not foresee any change to the activities of the company at this time.

SUBSEQUENT EVENTS

There have been no important subsequent events affecting the company post year end.

PRINCIPAL RISKS AND UNCERTAINTIES

The key risk or uncertainty to the company is in respect to the carrying value of the investment in the subsidiary undertaking and its related sub-group. As part of the ongoing review of business the director undertook a full review of the company and its wider sub-group during year and as part of the post balance sheet review year exercise. As a result of which they believe that the carrying value of the investment continues to be supported by the trading results and net assets of the sub-group.

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

14TH AUGUST 2019



M Walby
Director

501 Beaumont Leys Lane
Leicester
Leicestershire
LE4 2BN

VIKING DIRECT (HOLDINGS) LIMITED

DIRECTORS' REPORT

The director presents their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2018.

GOING CONCERN

The directors consider the going concern assumption to be appropriate, notwithstanding the net current intercompany payable positions of £139,667,000. Office Depot International (UK) Limited, fellow group company of Viking Direct (Holdings) Limited, has agreed not to request repayment of these loans within 12 months of the signing of these accounts to enable the company to operate as a going concern for a period of 12 months from the date of these accounts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, is £863,000 (2017: £927,000 loss). The directors do not propose the payment of a dividend for the year (2017: £nil).

DIRECTORS

The directors who held office during the year and subsequently to the date of this report were as follows:

N Maslen (resigned 26 March 2019)
M Horn (resigned 13 April 2018)
M Walby (appointed 26 September 2018)
G Wiseman (appointed 11 June 2019)

AUDITOR

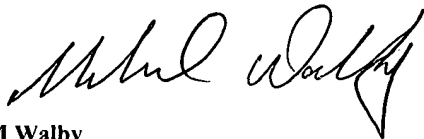
Each of the persons who is a director of the company at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

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

14TH AUGUST 2019



M Walby
Director
501 Beaumont Leys Lane
Leicester
Leicestershire
LE4 2BN

VIKING DIRECT (HOLDINGS) LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIKING DIRECT (HOLDINGS) LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Viking Direct (Holdings) Limited ("the company") for the year ended 31 December 2018 which comprise the income statement, balance sheet and statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework* and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of investments in subsidiaries, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIKING DIRECT (HOLDINGS) LIMITED (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIKING DIRECT
(HOLDINGS) LIMITED (CONTINUED)**

The purpose of our audit work and to whom we owe our responsibilities

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

Neil Calder

Neil Calder (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

St Nicholas House

31 Park Row

Nottingham

NG1 6FQ

16 August 2019

VIKING DIRECT (HOLDINGS) LIMITED

INCOME STATEMENT

For the year ended 31 December 2018

	Note	Total 2018 £'000	Total 2017 £'000
Finance (costs)/income	6	(863)	(927)
Loss before taxation		<u>(863)</u>	<u>(927)</u>
Tax	7	-	-
Loss for the financial year attributable to owners of the Company, being total comprehensive (loss)/income for year		<u><u>(863)</u></u>	<u><u>(927)</u></u>

VIKING DIRECT (HOLDINGS) LIMITED

BALANCE SHEET

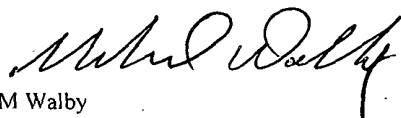
As at 31 December 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Investments	8	200,803	200,803
Total assets		<u>200,803</u>	<u>200,803</u>
Current liabilities			
Amounts owed to group undertakings	9	(139,667)	-
Net current liabilities		<u>(139,667)</u>	<u>-</u>
Total assets less current liabilities		<u>61,136</u>	<u>200,803</u>
Non-current liabilities			
Amounts owed to group undertakings	9	(13,679)	(152,483)
Net assets		<u>47,457</u>	<u>48,320</u>
Equity			
Share capital	10	1,279	1,279
Share premium account	10	54,725	54,725
Retained earnings	10	(8,547)	(7,684)
Equity attributable to owners of the Company		<u>47,457</u>	<u>48,320</u>

The financial statements of Viking Direct (Holdings) Limited (company number 2691521) were approved by the Board of Directors and authorised for issue on

14th AUGUST 2019

Signed on behalf of the Board of Directors



M Walby

Director

VIKING DIRECT (HOLDINGS) LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2018

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total £'000
Balance at 31 December 2016	1,279	2,593	(6,757)	(2,885)
Loss for the year	-	-	(927)	(927)
Total comprehensive income for the year	-	-	(927)	(927)
Share issue	-	52,132	-	52,132
Balance at 30 December 2017	1,279	54,725	(7,684)	48,320
Loss for the year	-	-	(863)	(863)
Total comprehensive income for the year	-	-	(863)	(863)
Balance at 31 December 2018	1,279	54,725	(8,547)	47,457

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1. GENERAL INFORMATION

Viking Direct (Holdings) Limited is a Company incorporated in the United Kingdom under the Companies Act 2006.

The Company is a private Company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Aurelius Equity Opportunities SE & Co KGaA. The group accounts of Aurelius Equity Opportunities SE & Co KGaA are available to the public and can be obtained from the registered office. The registered office address of the parent Company preparing consolidated accounts is Ludwig-Ganghofer-Straße 6, 82031 Grünwald, Germany.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

The Company has an accounting reference date of 31 December. In the prior year the accounts were drawn up to the nearest Saturday of this date. For ease of reference each period is referred to as the financial year throughout this set of financial accounts.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Aurelius Equity Opportunities SE & Co KGaA.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The principal accounting policies adopted are set out below.

Going concern

The directors consider the going concern assumption to be appropriate, notwithstanding the net current intercompany payable positions of £139,667,000. Office Depot International (UK) Limited, fellow group company of Viking Direct (Holdings) Limited, has agreed not to request repayment of these loans within 12 months of the signing of these accounts to enable the company to operate as a going concern for a period of 12 months from the date of these accounts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss. An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimate recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on 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, and 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 difference arises 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.

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced 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.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset 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 Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2018

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying the Company's accounting policies

The directors have considered the Income Statement, the Balance sheet, the Statement of Changes in Equity and the Company's accounting policies and do not consider there to be any critical accounting judgements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of investments in subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired requires estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £200,803,000 with an impairment loss recognised in 2018 of nil (2017: Nil).

4. AUDITOR'S REMUNERATION

Fees payable to KPMG LLP and their associates for the audit of the Company's annual accounts were £3,000 (2017: £1,000 payable to Deloitte LLP).

5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

There are no employees other than the directors listed on page 1 (2017: nil).

The directors did not receive any remuneration for their incidental services to the company (2017: nil).

6. FINANCE COSTS/(INCOME)

	Year ended 2018 £'000	Year ended 2017 £'000
Interest payable/(receivable) to group companies	863	927
	<u>863</u>	<u>927</u>

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **For the year ended 31 December 2018**

7. TAX

	Year ended 2018 £'000	Year ended 2017 £'000
Corporation tax:		
UK corporation tax	-	-
	<hr/>	<hr/>
	-	-
Deferred tax		
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

Corporation tax is calculated at 19% (2017: 19.25%) of the estimated taxable profit for the year. Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future tax charge accordingly.

The charge for the year can be reconciled to the profit in the income statement as follows:

	Year ended 2018 £'000 £	Year ended 2017 £'000 £
(Loss) before tax	(863)	(927)
	<hr/>	<hr/>
Tax at the UK corporation tax rate of 19% (2017: 19.25%)	(164)	(179)
Group relief not paid for	164	179
	<hr/>	<hr/>
Tax expense for the year	-	-
	<hr/>	<hr/>

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 December 2018

8. INVESTMENTS

Investments in subsidiary undertaking	£'000
Cost at 30 December 2017 and 31 December 2018	<u>200,803</u>
Net book value	
At 30 December 2017 and 31 December 2018	<u><u>200,803</u></u>

Details of the subsidiary undertaking, the activities of which comprise the distribution of office supplies, are set out below:

Investments	Country of incorporation	Type of shares	Portion of shares held
Directly owned companies			
Office Depot International (UK) Limited	UK	Ordinary	49.11%
Niceday Distribution Centre Limited	UK	Ordinary	100%
Indirectly owned companies			
Guilbert UK Holdings Limited	UK	Ordinary	49.11%
Office Depot Ireland	Ireland	Ordinary	49.11%
Reliable UK Limited	UK	Ordinary	49.11%
Office Depot UK Limited	UK	Ordinary	49.11%

Registered office

501 Beaumont Leys Lane, Leicester, LE4 2BN (UK incorporated entities)
35 Rosemount, Ballycoolin, Dublin11 (Irish incorporated entities)

In December 2018 the company acquired Niceday Distribution Centre Limited for £1 from its fellow group company Office Depot UK Limited

9. BORROWINGS

	2018 £'000	2017 £'000
Unsecured borrowing		
Amounts owed to group undertakings	<u>153,346</u>	<u>152,483</u>
	<u>153,346</u>	<u>152,483</u>
Total borrowings	<u><u>153,346</u></u>	<u><u>152,483</u></u>

VIKING DIRECT (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 December 2018

	2018 £'000	2017 £'000
Amounts due for settlement on demand or within 12 months:		
Amounts owed to group undertakings	139,667	136,064
Amounts due for settlement between one and five years:		
Amounts owed to group undertakings	13,679	16,419
	<u>153,346</u>	<u>152,483</u>

The other principal features of the Company's borrowings are as follows:

The amounts owed to group undertakings bear interest at a rate of 6 month LIBOR +1.10%, 3 month LIBOR +3.00% and 6m EURIBOR + 0.5%.

10. SHARE CAPITAL AND OTHER RESERVES

	Year ended 31 December 2018 £'000	Year ended 30 December 2017 £'000
Called up, allotted and fully paid		
319,818 (2016: 319,718) 'A' ordinary shares of £1 each	320	320
959,152 (2016: 959,152) 'B' ordinary shares of £1 each	959	959
	<u>1,279</u>	<u>1,279</u>

The class 'A' ordinary shares and class 'B' ordinary shares rank pari passu.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The retained earnings reserve represents cumulative profits or losses, including unrealised profit on the remeasurement of investment.

In August 2017, the company issued 100 "A" shares for a consideration of £52,132,000 to its parent company Office Depot (Holdings) Limited

11. CONTROLLING PARTY

The Company's immediate parent undertaking is Office Depot (Holdings) Ltd, a company incorporated in the United Kingdom.

In the opinion of the director's, the Company's ultimate parent Company and ultimate controlling party for the year ended 31 December 2018 was Aurelius Equity Opportunities SE & Co KGaA. The Office Depot Europe companies were sold at 1 January 2017 and Aurelius Equity Opportunities SE & Co KGaA, a Company incorporated in Germany, became the ultimate parent company. This is the largest and smallest group for which group accounts are drawn up.

Copies of the Aurelius Equity Opportunities SE & Co KGaA financial statements can be obtained from Ludwig-Ganghofer-Straße 6, 82031 Grünwald, Germany.