

**Merlin Entertainments (NBD) Limited**

Annual Report and financial statements

Registered number 05010879

52 weeks ended 29 December 2018



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## Strategic Report

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The Directors present their Strategic Report for the 52 weeks ended 29 December 2018.

### Strategic management

The principal activity of the Company throughout the year and for the foreseeable future is to act as an investment holding and financing company for fellow Group companies.

### Business environment

As an investment holding and financing company, the Company's principal risks and uncertainties are directly related to Merlin Entertainments plc and its subsidiaries (the Group). The principal risks are discussed within the Annual Report and accounts of Merlin Entertainments plc and details of how to obtain these accounts can be found in note 11. Accordingly no specific risks and uncertainties are identified in these financial statements.

The Directors, as part of the wider Merlin Group, continue to monitor the potential impact of Brexit to the Group and the Company. A number of exercises have been undertaken to identify hot spots, perform analysis of particular contractual arrangements that could be threatened or become more expensive, assess increasing costs of duty, and analyse alternative supply options and the volume and location of inventory holdings.

If there is no agreement between the UK and the EU, the Directors believe that there could be both structural issues, for example immigration restrictions limiting access to non-UK staff currently needed to operate attractions and transitory issues that would be shorter term impacts.

The transitory issues would occur as a consequence of administrative, process or market changes, which will unwind over a number of months after exiting the EU.

The principal areas where these issues may occur are delays in the movement or availability of goods and products that disrupt retail, food and beverage and ride operations, when either sourced directly or through third party providers in the supply chain.

There are also a number of potential consequences of Brexit that are being considered as both a risk and an opportunity. The areas currently being considered relate to extreme movements in foreign exchange rates impacting visitation and underlying costs and UK and European citizens staying at home as a consequence of anticipated travel friction in the early months following a disorderly exit.

### Business performance

The Directors have determined that the result before tax and the net assets or liabilities position are the most appropriate key performance indicators (KPI's) for an understanding of the development, performance and position of the Company. The results for the Company show a loss before tax of £32,000 (2017: profit before tax of £176,000), the reduction due to the settlement of receivable balances owed by Group undertakings resulting in less interest income. As at 29 December 2018, the Company had net assets of £22,440,000 (30 December 2017: £22,466,000). This is in line with expectations and the Directors are satisfied with the performance and position of the Company.

## Directors' Report

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The Directors present their Directors' Report and the audited financial statements for the 52 weeks ended 29 December 2018. Details of the Company's principal activity and future developments; its principal risks and uncertainties; and its KPIs can be found within the Strategic Report.

### Dividends

The Directors do not recommend the payment of a dividend (2017: *£nil*).

### Directors

The Directors who held office during the year and up until the date of the signing of these financial statements were as follows:

M Jowett  
F Rose

During the year the Company maintained liability insurance for its Directors and officers.

### Political donations

The Company made no political donations during the year (2017: *£nil*).

### Post balance sheet events

There are no events after the balance sheet date which require disclosure.

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each 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.

### Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### Information presented in other sections

Details of the Company's principal activity and future developments; its principal risks and uncertainties; and its KPIs can be found within the Strategic Report. The going concern assessment can be found within note 1 of the financial statements.

The Strategic Report and the Directors' Report were both approved by the Board on 21 August 2019.

By order of the Board



**F Rose**  
Company Secretary  
Link House  
25 West Street  
Poole  
Dorset  
BH15 1LD

## **Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

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The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



## **Independent Auditor's Report to the members of Merlin Entertainments (NBD) Limited**

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### **Opinion**

We have audited the financial statements of Merlin Entertainments (NBD) Limited (the Company) for the 52 weeks ended 29 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2018 and its loss for the 52 weeks 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 the UK 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 recoverability of investments, receivables 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.

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

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report 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 Strategic Report and the Directors' Report;
- in our opinion the information given in those reports 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.



## Independent Auditor's Report to the members of Merlin Entertainments (NBD) Limited (continued)

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### 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 3, 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](http://www.frc.org.uk/auditorsresponsibilities).

### 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.

James Childs-Clarke  
Senior Statutory Auditor  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
Gateway House  
Tollgate  
Chandlers Ford  
Southampton  
SO53 3TG

21 August 2019

# Statement of comprehensive income

*for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)*

	<i>Note</i>	<b>2018</b> <b>£000</b>	2017 £000
Finance income	3	6	176
Finance costs	4	(38)	-
<b>(Loss)/profit before tax</b>		<b>(32)</b>	176
Taxation	5	6	(43)
<b>(Loss)/profit for the year</b>		<b>(26)</b>	133
<b>Other comprehensive income for the year net of income tax</b>		-	-
<b>Total comprehensive income for the year</b>		<b>(26)</b>	133



## Statement of financial position

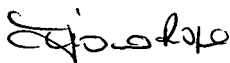
as at 29 December 2018 (2017: as at 30 December 2017)

	Note	2018 £000	2017 £000
<b>Non-current assets</b>			
Investments	6	25,936	22,086
Other receivables	7	-	5,500
		<u>25,936</u>	<u>27,586</u>
<b>Current assets</b>			
Tax receivable		6	-
Trade and other receivables	7	316	329
Cash and cash equivalents		-	-
		<u>322</u>	<u>329</u>
<b>Total assets</b>		<u>26,258</u>	<u>27,915</u>
<b>Current liabilities</b>			
Trade and other payables	8	(72)	(41)
Cash and cash equivalents		(1,250)	(5,308)
		<u>(1,322)</u>	<u>(5,349)</u>
<b>Non-current liabilities</b>			
Other payables	8	(2,496)	(100)
<b>Total liabilities</b>		<u>(3,818)</u>	<u>(5,449)</u>
<b>Net assets</b>		<u>22,440</u>	<u>22,466</u>
<b>Capital and reserves</b>			
Share capital	9	-	-
Retained earnings		22,440	22,466
<b>Total equity</b>		<u>22,440</u>	<u>22,466</u>

These financial statements were approved by the Board of Directors on  
were signed on its behalf by:

21 August

2019 and



**F Rose**  
Director

**Statement of changes in equity**

*for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)*

	Share capital £000	Share premium £000	Retained earnings £000	Total equity £000
At 1 January 2017	-	-	22,333	22,333
Total comprehensive income	-	-	133	133
<b>At 30 December 2017</b>	<b>-</b>	<b>-</b>	<b>22,466</b>	<b>22,466</b>
Total comprehensive income	-	-	(26)	(26)
<b>At 29 December 2018</b>	<b>-</b>	<b>-</b>	<b>22,440</b>	<b>22,440</b>

## Notes to the financial statements

*for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)*

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### 1 Accounting policies

#### ***Basis of preparation***

These financial statements have been prepared for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017).

Merlin Entertainments (NBD) Limited (the Company) is a company incorporated, registered and domiciled in the UK. It is a private company limited by shares. The address of its registered office is Link House, 25 West Street, Poole, Dorset BH15 1LD.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

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

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned Group companies;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The Company's ultimate parent undertaking, Merlin Entertainments plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Merlin Entertainments plc are prepared in accordance with Adopted IFRSs and are available to the public and may be obtained from Link House, 25 West Street, Poole, Dorset BH15 1LD.

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

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year-ended 29 December 2018 have had a material impact on the Company.

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## Notes to the financial statements

*for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)*

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### 1 Accounting policies (*continued*)

#### **Going concern**

For the 52 weeks period ended 29 December 2018, the Company recorded pre-tax losses of £32,000 (*year ended 30 December 2017: profit before tax £176,000*), had net assets of £22,440,000 (*30 December 2017: £22,466,000*) and net current liabilities of £1,000,000 (*30 December 2017: £5,020,000*).

The Directors have prepared cash flow forecasts as part of a Group cash flow forecasting exercise. This indicates that for a period of 12 months from the date of approval of these financial statements, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its immediate parent company, to meet its liabilities as they fall due for that period. The Company meets its day-to-day working capital requirements through a combination of consolidated banking arrangements and intergroup loan facilities. Based on this, the Company will be able to operate within the level of its currently available funding with the support of a Group entity.

Merlin Entertainment Group Holding Limited has indicated that it will provide such financial and other support, including not intending to seek repayments of amounts currently made available, as is necessary to enable the Company to trade and meet its liabilities as they fall due for the period covered by the forecasts. 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. The Directors have concluded there is no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of this parent undertaking to continue as a going concern.

On the basis of their assessment of the Company's financial position and support from Merlin Entertainment Group Holding Limited, the Company's Directors expect to be able to continue in operational existence for a period at least twelve months following the signing of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Foreign currencies**

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### **Taxation**

The tax charge for the year is recognised in the income statement and the statement of comprehensive income, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and taxation purposes respectively. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

After considering forecast future profits, deferred tax assets are recognised where it is probable that future taxable profits will be available against which those assets can be utilised.

#### **Finance income and costs**

Finance costs comprise interest expense. Finance income comprises interest income from funds invested.

Interest income and interest expense are recognised in the income statement as they accrue, using the effective interest rate method.

## Notes to the financial statements

for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)

### 1 Accounting policies (continued)

#### Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method, less any impairment losses.

#### Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method.

#### Investments

Investments in subsidiaries are stated at cost, less provision for impairment. The carrying amount of the Company's investments in subsidiaries is reviewed annually to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated. If the carrying value of the investment exceeds the recoverable amount, the investment is considered to be impaired and is written down to the recoverable amount. The impairment loss is recognised in the income statement.

### 2 Operating profit

The auditor's remuneration for the year of £2,000 (2017: £2,000) is borne by a fellow Group company.

Fees payable to the Company's auditor for services other than the statutory audit of the Company are disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent.

No staff are employed by the Company apart from the Directors.

The Directors received no remuneration from the Company during the year and are paid by other Group undertakings. None of the Directors received remuneration for their services to the Company as the services provided to the Company are incidental to their wider role in the Group.

No dividends were received in the year (2017: £nil).

### 3 Finance income

	2018 £000	2017 £000
Interest income from Group undertakings	6	173
Net foreign exchange gains	-	3
	<u>6</u>	<u>176</u>

### 4 Finance costs

	2018 £000	2017 £000
Interest expense to Group undertakings	38	-
	<u>38</u>	<u>-</u>

## Notes to the financial statements

for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)

### 5 Taxation

Recognised in the income statement

	2018 £000	2017 £000
<i>Current tax expense</i>		
Current year	(6)	34
Adjustments for prior periods	-	9
<b>Total tax expense in income statement</b>	<b>(6)</b>	<b>43</b>

Reconciliation of effective tax rate

	2018 %	2018 £000	2017 %	2017 £000
Profit before tax		(32)		176
Income tax using the domestic corporation tax rate	19.0%	(6)	19.3%	34
Adjustments in respect of prior periods	-	-	-	9
<b>Total tax expense in the income statement</b>	<b>19.0%</b>	<b>(6)</b>	<b>24.2%</b>	<b>43</b>

The standard rate for UK corporation tax used in the 52 weeks ended 29 December 2018 was 19.0% (2017: 19.3%).

A reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future tax charge accordingly.

### 6 Investments

	Shares in subsidiary undertakings £000
<i>Cost and Carrying value</i>	
At 31 December 2016	16,273
Additions	5,813
<b>At 30 December 2017</b>	<b>22,086</b>
Additions	3,850
<b>At 29 December 2018</b>	<b>25,936</b>

In 2017, additions to shares in subsidiary undertakings related to an investment of £2,600,000 in Merlin Exhibition (Shenyang) Company Limited, £2,520,000 in Merlin Exhibition (Chongqing) Company Limited and £693,000 in Merlin Indoor Children's Playground (Shanghai) Company Limited.

In 2018, additions to shares in subsidiary undertakings related to an investment of £2,600,000 in Merlin Exhibition (Shenyang) Company Limited, and an addition of £1,250,000 related to an investment in Merlin Entertainments (Shanghai) Company Limited.

## Notes to the financial statements

for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)

### 6 Investments (continued)

The Company has the following direct investments in subsidiary undertakings:

Company	Country of incorporation	Class of shares held	Ownership 2018	Ownership 2017
Chessington Hotel Limited	UK <sup>(1)</sup>	Ordinary	100%	100%
London Eye Holdings Limited	UK <sup>(1)</sup>	Ordinary	100%	100%
Madame Tussauds Exhibition (Beijing) Company Limited	China <sup>(2)</sup>	Ordinary	100%	100%
Madame Tussauds Exhibition (Shanghai) Limited	China <sup>(3)</sup>	Ordinary	100%	100%
Madame Tussauds Exhibition (Wuhan) Company Limited	China <sup>(4)</sup>	Ordinary	100%	100%
Merlin Exhibition (Chongqing) Company Limited	China <sup>(5)</sup>	Ordinary	100%	100%
Merlin Indoor Children's Playground (Shanghai) Company Limited	China <sup>(6)</sup>	Ordinary	100%	100%
Merlin Exhibition (Shenyang) Company Limited	China <sup>(7)</sup>	Ordinary	100%	100%
Merlin Entertainments (Shanghai) Company Limited	China <sup>(8)</sup>	Ordinary	100%	-

Registered offices:

- <sup>(1)</sup> Link House, 25 West Street, Poole, Dorset BH15 1LD, United Kingdom
- <sup>(2)</sup> No. 4, 6, 8, 10, 12, 14, 16, 18 Qianmen Avenue, Dongcheng District, Beijing, China
- <sup>(3)</sup> 10/F New World Building, No 2-68 Nanjing Xi Road, Shanghai 200003, China
- <sup>(4)</sup> 21, Han Street, Wuchang District, (Shops 40/41/42) Building 5, Lot J2, Wuhan, China
- <sup>(5)</sup> 4-11, Fu 9, No. 133, Nanpin Road, Nan'an District, Chongqing, China
- <sup>(6)</sup> L2-25, 2F, 3F Parkside Plaza, Putuo District, Shanghai, China
- <sup>(7)</sup> No. 2 Jia-1, Bolan Road, Heping District, Shenyang, China
- <sup>(8)</sup> Room 01b&32&K1, Third Floor of LC Mall, No. 1-2, 2389 Zhangyang Road, Shanghai Pilot Free Trade Zone, China

See note 12 for a list of the Company's indirect investments in subsidiary and joint venture undertakings.

### 7 Trade and other receivables

	Non-current 2018 £000	Non-current 2017 £000	Current 2018 £000	Current 2017 £000
Amounts owed by Group undertakings	-	5,500	316	329

The balance of £5,500,000 owed by Group undertakings was repaid during the year, interest was calculated at 3% per annum (2017: 3% per annum).

## Notes to the financial statements

for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)

### 8 Trade and payables

	Non-current 2018 £000	Non-current 2017 £000	Current 2018 £000	Current 2017 £000
Amounts owed by Group undertakings	2,496	100	72	41
	<u>2,496</u>	<u>100</u>	<u>72</u>	<u>41</u>

Included in amounts owed by Group undertakings is £2,496,000 (2017: £100,000) which is classified as non-current as they are owed by Group undertakings which have confirmed that they do not intend to call in the amounts due to them from the Company for a period of at least one year. Balances of £2,396,000 are owed to Group undertakings and attract interest of 3%.

### 9 Share capital and reserves

#### Share capital

	2018 £000	2017 £000
<i>Allotted, called up and fully paid</i>		
7 (2017: 7) ordinary shares of £1 each	-	-

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

### 10 Banking arrangements

Along with other Group companies in the United Kingdom, the Company is a member of a consolidated banking arrangement which includes notional bank pooling and an overdraft facility. As such it is party to a cross guarantee to the Bank for debts or liabilities arising from the banking arrangement whereby each member company guarantees the obligations of each other member to the Bank.

As a result of the above pooling arrangements, at any reporting date, Group companies will hold assets in a combination of intercompany balances and cash which can vary.

### 11 Ultimate parent company

The ultimate parent Company is Merlin Entertainments plc, a Company incorporated in the United Kingdom, which is the only company preparing Group financial statements. The consolidated financial statements of this Group are available to the public and may be obtained from Link House, 25 West Street, Poole, Dorset BH15 1LD.

The immediate parent company is Merlin Entertainments Group Holdings Limited, with a registered address of Link House, 25 West Street, Poole, Dorset BH15 1LD.



## Notes to the financial statements

*for the 52 weeks ended 29 December 2018 (2017: 52 weeks ended 30 December 2017)*

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### 12 Related subsidiary and joint venture undertakings

In addition to the direct investments in subsidiary undertakings listed in note 6, the Company has the following indirect investments in subsidiary and joint venture undertakings:

Company	Country of incorporation	Class of shares held	Ownership 2018	Ownership 2017
London Eye Management Services Limited	UK	Ordinary	100%	100%
The Millennium Wheel Company Limited	UK	Ordinary	100%	100%

The registered address of the above companies is Link House, 25 West Street, Poole, Dorset BH15 1LD.