

Merlin Entertainments (NBD) Limited

Annual Report and financial statements

Registered number 05010879

52 weeks ended 28 December 2019

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Strategic Report

The Directors present their Strategic Report for the 52 weeks ended 28 December 2019.

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 and financing company, the Company's principal risks and uncertainties are directly related to Merlin Entertainments (formerly Merlin Entertainments plc) and its subsidiaries (the Group). The principal risks are discussed within the Annual Report and accounts of Merlin Entertainments Limited and details of how to obtain these accounts can be found in note 10. Accordingly no specific risks and uncertainties are identified in these financial statements.

COVID-19

The COVID-19 coronavirus has surfaced in nearly all regions around the world, resulting in governments in affected areas taking unprecedented steps to impose a range of restrictions on both individuals and organisations. Hospitality and leisure businesses have been significantly impacted as a result of the combination of mandated closures, the capacity restrictions created by 'social distancing' and lower consumer demand in many markets. At the foundation of all business decisions that the Merlin Entertainments Group makes in response to the COVID-19 pandemic is the health, safety, and wellbeing of employees and visitors around the globe. As such, government advice has been followed and, in many cases, the Group has gone beyond those requirements to ensure a socially responsible response. Best practice enhanced hygiene and safety measures have been rolled out across the Group's operations. These measures have received positive feedback from customers, local authorities and health agencies. The Merlin Entertainments Group has also implemented a number of operating cost and cash control measures.

The impact of the COVID-19 outbreak is uncertain and its effect on people's ability or desire to travel and gather in public spaces (including within the attractions industry) will continue to impact the Group's financial condition and results of operations. We cannot predict when all attractions will be allowed to open. Moreover, social distancing and other policies to slow the further spread of the disease may impact the operation and consumer appeal of our attractions. Even once these policies are lifted, interest in visiting our attractions may remain weak for a significant length of time and we cannot predict if and when each of our attractions will return to pre-outbreak demand or ticket pricing.

Brexit

The Directors, as part of the wider Merlin Entertainments 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 the impact of leaving the EU tax and trade treaty umbrella and immigration restrictions, 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.

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 £2,069,000 (2018: £32,000), the loss largely due to an impairment of an investment in a subsidiary undertaking. As at 28 December 2019, the Company had net assets of £20,399,000 (29 December 2018: £22,440,000). This is in line with expectations and the Directors are satisfied with the performance and position of the Company.

Directors' Report

The Directors present their Directors' Report and the audited financial statements for the 52 weeks ended 28 December 2019. 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 (2018: *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 (2018: *Nil*).

Post balance sheet events

The Directors consider that it is appropriate to adopt the going concern basis in preparing the financial statements. In making this statement the Directors have satisfied themselves that based on the Group's current base case projections, the Company would have access to sufficient cash funds and / or the ability to call on intercompany loan receivables to meet the Company's foreseeable cash requirements. This assessment takes into account an assessment of the ongoing impact of the COVID-19 pandemic. A fellow Merlin Entertainments Group undertaking, Merlin Entertainments Group Holdings Limited, has also given a letter of support to the Company indicating its intention to provide financial and other support to the Company. The ability of other group entities to support the Company is dependent on the performance and liquidity of the wider Merlin Entertainments group of companies. Merlin Entertainments Group Holdings Limited is itself reliant on the support of Merlin Entertainments Limited which had a material uncertainty in relation to going concern disclosed in its consolidated 2019 financial statements.

The situation is constantly changing and subject to unforeseeable developments. Therefore, it remains possible that further significant negative developments may arise, over and above the scenarios that have been modelled. These circumstances therefore represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. For further details see note 1 to the financial statements.

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.

Directors' Report (continued)

The Strategic Report and the Directors' Report were both approved by the Board on 16 December 2020.

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

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



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

Opinion

We have audited the financial statements of Merlin Entertainments (NBD) Limited (the Company) for the 52 weeks ended 28 December 2019 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 28 December 2019 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.

Going concern

We draw attention to note 1 to the financial statements which indicates that the challenges posed by the COVID-19 pandemic mean that the Company's ability to continue as a going concern is reliant on continued support from Merlin Entertainments Group Holdings Limited. This company has indicated its intention to provide financial and other support to the Company for a period of 12 months from the date of approval of the financial statements. The ability of Merlin Entertainments Group Holdings Limited to provide support is dependent on the performance and liquidity of the wider Merlin Entertainments Group, the majority of whose portfolio of attractions around the world have been impacted by the COVID-19 pandemic. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

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)*

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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

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.

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.

Caroline Griffiths
Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Gateway House
Tollgate
Chandlers Ford
Southampton
SO53 3TG

Statement of comprehensive income

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

	Note	2019 £000	2018 £000
Administrative expenses		(1,920)	-
Operating loss		(1,920)	-
Finance income	3	-	6
Finance costs	4	(149)	(38)
Loss before tax		(2,069)	(32)
Taxation	5	28	6
Loss for the year		(2,041)	(26)
Other comprehensive income for the year net of income tax		-	-
Total comprehensive income for the year		(2,041)	(26)

Statement of financial position

as at 28 December 2019 (2018: as at 29 December 2018)

	Note	2019 £000	2018 £000
Non-current assets			
Investments	6	24,016	25,936
Current assets			
Tax receivable		28	6
Trade and other receivables	7	6	316
		34	322
Total assets		24,050	26,258
Current liabilities			
Trade and other payables	8	(23)	(72)
Cash and cash equivalents		(101)	(1,250)
		(124)	(1,322)
Non-current liabilities			
Other payables	8	(3,527)	(2,496)
Total liabilities		(3,651)	(3,818)
Net assets		20,399	22,440
Capital and reserves			
Share capital	9	-	-
Retained earnings		20,399	22,440
Total equity		20,399	22,440

These financial statements were approved by the Board of Directors on 16 December 2020 and were signed on its behalf by:



F Rose
Director

Statement of changes in equity

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

	Share capital £000	Share premium £000	Retained earnings £000	Total equity £000
At 31 December 2017	-	-	22,466	22,466
Total comprehensive income	-	-	(26)	(26)
At 29 December 2018	-	-	22,440	22,440
Total comprehensive income	-	-	(2,041)	(2,041)
At 28 December 2019	-	-	20,399	20,399

Notes to the financial statements

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

1 Accounting policies

Basis of preparation

These financial statements have been prepared for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018).

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. The Company's ultimate parent undertaking is Motion JVco Limited. Motion JVco Limited and Merlin Entertainments Limited (an intermediary parent company), both include the Company in their consolidated financial statements. The consolidated financial statements of Merlin Entertainments Limited are prepared in accordance with Adopted IFRSs. They are available to the public and can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

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.

As the consolidated financial statements of Merlin Entertainments Limited 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 28 December 2019 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 28 December 2019 (2018: 52 weeks ended 29 December 2018)

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis. The Directors consider this to be appropriate for the reasons set out below.

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 a fellow subsidiary undertaking, 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.

As at the date of approving these financial statements, the impact of the Coronavirus (COVID-19) pandemic (COVID-19) on trading is being assessed continually. While understanding that it is currently difficult to forecast accurately the impact of COVID-19 at this time, but reflecting the latest situation, our current base case assumption is that there will continue to be a gradual and sustained recovery to more normalised trading levels within the Group. The Directors have prepared cash flow forecasts until the end of 2021 which take into account the Group's immediately available cash reserves, the access to liquidity via the Merlin Entertainments Group's shared banking arrangements. These forecasts indicate that the Company will have sufficient access to cash reserves and /or access to intra-group funding to meet its liabilities as they fall due for that period.

The availability of that intra-group support funding is reliant on the ability of other Group entities to remit cash as required. This is dependent on the performance and liquidity of the wider Merlin Entertainments group of companies, where the spread of COVID-19 has had a material negative impact on the Group's portfolio of attractions around the world. At the end of Q1 2020, substantially all of Merlin's attractions were closed. The Group's geographic diversity subsequently enabled attractions to be opened where possible during Q2 and Q3 2020 and by the end of Q3, the majority of attractions were open and the Group generated positive cash flow in Q3 2020. A small number of the Group's most significant locations remained closed and a limited number of attractions that had opened subsequently closed again. Certain of the larger seasonal theme park attractions have as usual closed or will have limited trading over the winter period. The situation is constantly changing and subject to unforeseeable developments. Additional lockdown and other restrictions have recently been implemented in certain countries; this may extend in due course to other territories.

The Directors have therefore considered a severe but plausible downside scenario that models a reoccurrence of a prolonged worldwide shutdown across the Merlin estate during late 2020 through to April 2021 without any further cost mitigation. In this situation the Merlin Entertainments Group would continue to have access to sources of liquidity throughout 2021 and into 2022.

As noted above, the situation is constantly changing and subject to unforeseeable developments. Therefore, it remains possible that further significant negative developments may arise, over and above the scenarios that have been modelled.

A fellow Merlin Entertainments Group undertaking, Merlin Entertainments Group Holdings Limited, has given a letter of support to the Company indicating its intention to provide financial and other support to the Company. Merlin Entertainments Group Holdings Limited is itself reliant on the support of Merlin Entertainments Limited which had a material uncertainty in relation to going concern disclosed in its consolidated 2019 financial statements. 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.

Based on these indications the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Notes to the financial statements

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

1 Accounting policies (continued)

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.

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.

Notes to the financial statements

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

2 Operating profit

During the year an impairment of an investment in a subsidiary undertaking was recognised of £1,920,000. See note 6 for further information.

The auditor's remuneration for the year of £2,000 (2018: £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.

3 Finance income

	2019 £000	2018 £000
Interest income from Group undertakings	-	6

4 Finance costs

	2019 £000	2018 £000
Interest expense to Group undertakings	149	38

5 Taxation

Recognised in the income statement

	2019 £000	2018 £000
Current tax expense		
Current year	(28)	(6)
Total tax expense in income statement	(28)	(6)

Reconciliation of effective tax rate

	2019 %	2019 £000	2018 %	2018 £000
Profit before tax		(2,069)		(32)
Income tax using the domestic corporation tax rate	19.0%	(393)	19.0%	(6)
Non-deductible expenses	(17.6%)	365	-	-
Total tax expense in the income statement	1.4%	(28)	19.0%	(6)

The standard rate for UK corporation tax used in the 52 weeks ended 28 December 2019 was 19.0% (2018: 19.0%). A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. In the 11 March 2020 Budget it was announced that the UK tax rate will remain at the current 19% and not reduce to 17% from 1 April 2020. This will have a consequential effect on the Company's future tax charge.

Notes to the financial statements

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

6 Investments

	Shares in subsidiary undertakings £000
Cost and Carrying value	
At 31 December 2017	22,086
Additions	3,850
At 29 December 2018	25,936
Impairment	(1,920)
At 28 December 2019	24,016

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.

During 2019 an impairment was recognised to reflect estimates at the end of the reporting period of the future performance of certain attractions, taking into account reviews of the market and economic conditions at those locations.

The Company has the following direct investments in subsidiary undertakings:

Company	Country of incorporation	Class of shares held	Ownership 2019	Ownership 2018
Chessington Hotel Limited	UK ⁽¹⁾	Ordinary	100%	100%
London Eye Holdings Limited	UK ⁽¹⁾	Ordinary	100%	100%
Madame Tussauds Exhibition (Beijing) Company Limited	China ⁽²⁾	Ordinary	100%	100%
Madame Tussauds Exhibition (Shanghai) Limited	China ⁽³⁾	Ordinary	100%	100%
Madame Tussauds Exhibition (Wuhan) Company Limited	China ⁽⁴⁾	Ordinary	100%	100%
Merlin Exhibition (Chongqing) Company Limited	China ⁽⁵⁾	Ordinary	100%	100%
Merlin Indoor Children's Playground (Shanghai) Company Limited	China ⁽⁶⁾	Ordinary	100%	100%
Merlin Exhibition (Shenyang) Company Limited	China ⁽⁷⁾	Ordinary	100%	100%
Merlin Entertainments (Shanghai) Company Limited	China ⁽⁸⁾	Ordinary	100%	-

Registered offices:

- (1) Link House, 25 West Street, Poole, Dorset BH15 1LD, United Kingdom
- (2) No. 4, 6, 8, 10, 12, 14, 16, 18 Qianmen Avenue, Dongcheng District, Beijing, China
- (3) 10/F New World Building, No 2-68 Nanjing Xi Road, Shanghai 200003, China
- (4) 21, Han Street, Wuchang District, (Shops 40/41/42) Building 5, Lot J2, Wuhan, China
- (5) 4-11, Fu 9, No. 133, Nanpin Road, Nan'an District, Chongqing, China
- (6) L2-25, 2F, 3F Parkside Plaza, Putuo District, Shanghai, China
- (7) No. 2 Jia-1, Bolan Road, Heping District, Shenyang, China
- (8) Room No.3F-01b&32&K1, L3 Floor, Zhihuixuhui Plaza, No. 1-2, 2389 Alley, 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.

Notes to the financial statements

for the 52 weeks ended 28 December 2019 (2018: 52 weeks ended 29 December 2018)

7 Trade and other receivables

	Current 2019 £000	Current 2018 £000
Amounts owed by Group undertakings	6	316

8 Trade and payables

	Non-current 2019 £000	Non-current 2018 £000	Current 2019 £000	Current 2018 £000
Amounts owed to Group undertakings	3,527	2,496	23	72

Where amounts due to Group undertakings have been formally agreed at the balance sheet date by the counterparty agreed as payable in a period of more than a year from the balance sheet date they have been classified as non-current. Where interest on long term amounts owed to Group undertakings is charged, a rate of 4% per annum (2018: 3% per annum) is applied.

9 Share capital and reserves

Share capital

	2019 £000	2018 £000
Allotted, called up and fully paid		
7 (2018: 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 guarantee to the Bank for all debit balances arising from the Group facility whereby each member company guarantees the debit balance of each other member to the Bank.

11 Ultimate parent company

The ultimate parent Company is Motion JVco Limited, a Company incorporated in the United Kingdom, which prepares Group financial statements.

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 28 December 2019 (2018: 52 weeks ended 29 December 2018)

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 2019	Ownership 2018
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.

13 Subsequent events and going concern

For further details on how the COVID-19 pandemic has affected the Company's going concern assessment, see note 1 to the financial statements.