

**ENSCO 961 LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 December 2016**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS 2016**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Z Mersich  
N Paramore

**REGISTERED OFFICE**

Astra House  
1 Kingsway  
Bridgend Industrial Estate  
Bridgend  
United Kingdom  
CF31 3RY

**BANKERS**

Lloyds Bank  
125 Colmore Row  
Birmingham  
West Midlands  
B3 3SF

**AUDITOR**

Deloitte LLP  
Statutory Auditor  
Bristol  
United Kingdom  
BS1 6GD

## STRATEGIC REPORT

The directors, in preparing this strategic report, have complied with Section 414C of the Companies Act 2006.

### PRINCIPAL ACTIVITIES

The principal activity of the company is that of an investment and debt holding company.

The entity has continued to act as an intermediary holding company with no trade in the year. On 15 December 2016, the company sold its entire interest in Playnation Limited and its subsidiaries to Novomatic UK Limited for £42,446,101.

### REVIEW OF THE BUSINESS

The results for the period are given in the profit and loss account on page 7. The company's profit on ordinary activities before taxation for the year was £28,603,312 (31 December 2015: loss of £1,469,195). The directors expect that the company will become a dormant entity.

### KEY PERFORMANCE INDICATORS

Other than in the capacity of an investment holding company, the company did not trade during the financial year and it is expected that the entity will become a dormant entity. The company's directors believe that further key performance indicators of the company are not necessary for an understanding of the performance or position of the business.

### PRINCIPAL RISKS AND UNCERTAINTIES

Due to the company ceasing trading and disposing of its investments, the directors consider that there are no commercial, interest rate or currency risks or uncertainties that could affect the company.

### GOING CONCERN

The company is to continue as a non-trading entity. Given that the entity has disposed of its investments and is not expected to trade, as required by FRS 102 Section 10 "Accounting Policies", the financial statements have been prepared on a basis other than as a going concern which includes, where appropriate, writing down the company's assets to net realisable value (note 1).

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



N Paramore  
Director

16 August 2017

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

### **DIVIDENDS**

An interim dividend of £23,847,401 was paid on 15 December 2016. The directors do not recommend the payment of a further dividend (31 December 2015: £nil).

### **DIRECTORS**

The directors of the company, who served throughout the financial year and subsequently, are as shown on page 1.

### **AUDITOR**

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors 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.

As the company is expected to continue as a dormant entity, it is not expected that a financial statement audit of this company will be required next year.

### **APPROVAL OF REDUCED DISCLOSURES**

The company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by a shareholder holding in aggregate 5% of more of the total allocated shares in the company.

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



N Paramore  
Director

16 August 2017

## **DIRECTORS' RESPONSIBILITIES 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 MEMBER OF ENSCO 961 LIMITED**

We have audited the financial statements of EnSCO 961 Limited for year ended 31 December 2016 which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's member 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 member those matters we are required to state to it 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ENSCO 961 LIMITED (continued)**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

*Andrew Wright*

**Andrew Wright (Senior statutory auditor)  
for and on behalf of Deloitte LLP**

Statutory Auditor  
Bristol, United Kingdom

25 August 2017



**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 December 2016**

	Note	Year ended 31 December 2016 £	9 months ended 31 December 2015 £
Administrative expenses		(1)	(6)
<b>Operating loss</b>		<b>(1)</b>	<b>(6)</b>
Interest receivable and similar income	3	7	94,932
Interest payable and similar charges	4	-	(1,564,121)
Profit on disposal of fixed assets	8	28,603,306	-
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>28,603,312</b>	<b>(1,469,195)</b>
Tax (charge) / credit on profit / (loss) on ordinary activities	7	(50,974)	326,952
<b>Profit / (loss) for the financial period</b>		<b>28,552,338</b>	<b>(1,142,243)</b>

All activities derive from operations during the year which are now discontinued.

There have been no recognised gains and losses for the current financial year or the prior financial period other than as stated in the profit and loss account and, accordingly, no separate statement of comprehensive income is presented.

The notes on pages 10 to 14 form an integral part of these financial statements.

**BALANCE SHEET**  
**As at 31 December 2016**

	Note	31 December 2016 £	31 December 2015 £
<b>Fixed assets</b>			
Investments in subsidiaries	8	-	1
<b>Current assets</b>			
Debtors			
- due within one year	9	-	509,249
- due after more than one year	9	-	13,323,744
Cash at bank and in hand		-	10,869
		<u>-</u>	<u>13,843,862</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(50,974)</u>	<u>(132,776)</u>
<b>Net current (liabilities) / assets</b>		<u>(50,974)</u>	<u>13,711,086</u>
<b>Total assets less current liabilities</b>		<u>(50,974)</u>	<u>13,711,087</u>
<b>Creditors: amounts falling due after more than one year</b>	11	<u>-</u>	<u>(18,466,998)</u>
<b>Net liabilities</b>		<u>(50,974)</u>	<u>(4,755,911)</u>
<b>Capital and reserves</b>			
Called-up share capital	13	1	1
Profit and loss account		<u>(50,975)</u>	<u>(4,755,912)</u>
<b>Shareholder's deficit</b>		<u>(50,974)</u>	<u>(4,755,911)</u>

The financial statements of Ensco 961 Limited, registered number 08268106, were approved by the Board of Directors and authorised for issue on 16 August 2017.

Signed on behalf of the Board of Directors



N Paramore  
Director

The notes on pages 10 to 14 form an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
**As at 31 December 2016**

	<b>Called-up share capital (note 13) £</b>	<b>Profit and loss account (note 13) £</b>	<b>Total £</b>
<b>Balance at 14 March 2015</b>	<b>1</b>	<b>(3,613,669)</b>	<b>(3,613,668)</b>
Loss for the period		(1,142,243)	(1,142,243)
<b>Balance at 31 December 2015</b>	<b>1</b>	<b>(4,755,912)</b>	<b>(4,755,911)</b>
Profit for the financial year	-	28,552,338	28,552,338
Dividends paid (note 14)	-	(23,847,401)	(23,847,401)
<b>Balance at 31 December 2016</b>	<b>1</b>	<b>(50,975)</b>	<b>(50,974)</b>

The notes on pages 10 to 14 form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 December 2016

#### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

EnSCO 961 Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

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

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of EnSCO 961 Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

EnSCO 961 Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

##### **Going concern**

The company is expected to continue as a non-trading entity. Given that the entity has disposed of its investments and is not expected to trade, the financial statements have not been prepared on a going concern basis. Consequently, as required by FRS 102 Section 10 "Accounting Policies", the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date. No adjustments arose as a result of ceasing to apply the going concern basis.

##### **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.

##### **Investments**

Investments in subsidiary undertakings, associates and joint ventures are measured at cost less any applicable impairment.

##### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

# **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 December 2016**

## **1. ACCOUNTING POLICIES (continued)**

### **Taxation (continued)**

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### **Dividends on shares presented within equity**

Dividends are only recognised as a liability to the extent that they are declared prior to the year-end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

## **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1 above, 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### *Critical judgements in applying the company's accounting policies*

The directors do not deem there to be any critical judgements made in the process of applying the company's accounting policies.

## **3. INTEREST RECEIVABLE AND SIMILAR INCOME**

	Year ended 31 December 2016 £	9 months ended 31 December 2015 £
Inter-company loan interest	-	94,909
Bank interest	7	23
	<u>7</u>	<u>94,932</u>

## **4. INTEREST PAYABLE AND SIMILAR CHARGES**

	Year ended 31 December 2016 £	9 months ended 31 December 2015 £
On bank loans and overdrafts	-	282,930
Inter-company loans	-	132,776
On all other loans	-	564,811
Amortisation of loan issue costs	-	583,604
	<u>-</u>	<u>1,564,121</u>

## **5. AUDITOR'S REMUNERATION**

Auditor's remuneration of £2,350 (2015: £3,090) was borne by other group companies and not recharged.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2016**

**6. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The company has no employees or associated staff costs. Z Merisch and N Paramore were remunerated by the parent company Novomatic UK Limited, for their services to the group. It is not possible to split amounts between services to each company individually.

**7. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES**

	Year ended 31 December 2016 £	9 months ended 31 December 2015 £
<b>Current taxation</b>		
United Kingdom corporation tax:		
Current tax on income for the period at 20.00% (2015: 20.05%)	1	(414,339)
Adjustment in respect of prior periods	50,973	-
<b>Total current tax charge / (credit)</b>	<u>50,974</u>	<u>(414,339)</u>
<b>Deferred tax</b>		
Origination/reversal of timing differences	-	119,640
Adjustment in respect of prior periods	-	(31,926)
Effect of changes in tax rates	-	(327)
<b>Total deferred tax</b>	<u>-</u>	<u>87,387</u>
<b>Tax charge / (credit) for the period</b>	<u><u>50,974</u></u>	<u><u>(326,952)</u></u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit / (loss) before tax is as follows:

	Year ended 31 December 2016 £	9 months ended 31 December 2015 £
<b>Current tax reconciliation</b>		
Profit / (loss) on ordinary activities before tax	<u>28,603,312</u>	<u>(1,469,195)</u>
Tax on profit / (loss) before tax at 20.00% (2015: 20.05%)	5,720,662	(294,573)
<b>Factors affecting the tax charge / (credit) for the period:</b>		
Expenses not deductible for tax purposes	2,768,619	-
Non-taxable income	(8,489,280)	-
Changes in tax rates	-	(453)
Prior period adjustments	50,973	(31,926)
<b>Total tax charge / (credit) for the period</b>	<u><u>50,974</u></u>	<u><u>(326,952)</u></u>

The change in the corporation tax rate to 19% from April 2017 and then to 17% from April 2020 will not materially affect the future tax charge.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2016**

**8. INVESTMENTS IN SUBSIDIARIES**

	<b>31 December</b>
	<b>£</b>
Cost and net book value at start of the period	1
Disposals	(1)
<b>Cost and net book value at end of the period</b>	<b>-</b>

On 15 December 2016 the company sold its investment in all subsidiary undertakings, namely Playnation Limited, Leisure Projects Limited, Fun House Leisure Limited and Fun House Leisure Sales Limited. The profit on disposal was £28,603,306. These subsidiaries were all incorporated in the United Kingdom. Prior to disposal the company held 100% of ordinary shares in all subsidiary holdings.

**9. DEBTORS**

	<b>31 December 2016</b>	<b>31 December 2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	-	94,910
Corporation tax receivable	-	414,339
	<u>-</u>	<u>509,249</u>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year</b>		
Amounts owed by group undertakings	-	13,323,744
	<u>-</u>	<u>13,323,744</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31 December 2016</b>	<b>31 December 2015</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	-	132,776
Corporation tax payable	50,974	-
	<u>50,974</u>	<u>132,776</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>31 December 2016</b>	<b>31 December 2015</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	-	18,466,998
	<u>-</u>	<u>18,466,998</u>

Amounts owed to group undertakings as at 31 December 2015 relate to loans provided by the parent company. These loans were repayable on 31 December 2020 but were settled in full on 15 December 2016. The interest rate applicable to the loans was 2.5% per annum.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2016

**12. DEFERRED TAX**

	31 December 2016 £	31 December 2015 £
At start of period	-	87,387
Charge to the profit and loss account for the period (note 7)	-	(87,387)
<b>At end of period</b>	<b>-</b>	<b>-</b>

**13. CALLED-UP SHARE CAPITAL AND RESERVES**

	31 December 2016 £	31 December 2015 £
<b>Allotted, called-up and fully paid</b>		
1 ordinary share of £1	1	1

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

**14. DIVIDENDS**

	31 December 2016 £	31 December 2015 £
<b>Declared and paid during the period</b>		
Equity dividend on 1 ordinary share at £23,847,401 per share	23,847,401	-

**15. RELATED PARTY DISCLOSURES**

There were no related party transactions in 2016. In the prior period, interest of £564,812 was paid to Palatine Private Equity LLP.

**16. ULTIMATE PARENT COMPANY**

The immediate parent company is Novomatic UK Limited.

The ultimate parent company is Novo Invest GmbH, a company registered and domiciled in Austria.

Novomatic AG is the parent of the smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the group financial statements of Novomatic AG can be obtained from Novomatic AG, Wiener Strasse 158, A-2352 Gumpoldskirchen, Austria.

Novo Invest GmbH is the parent of the largest group of which the company is a member and for which group financial statements are drawn up. Copies of the group financial statements of Novo Invest GmbH can be obtained from Novo Invest GmbH, Wiener Strasse 158, A-2352 Gumpoldskirchen, Austria.

**17. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Mr Johann F Graf.