

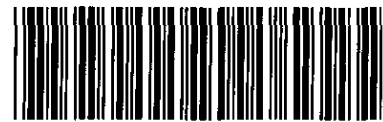
Thorpe Park Operations Limited

Annual Report and financial statements

Registered number 06127478

52 weeks ended 26 December 2020

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Strategic Report

The Directors present their Strategic Report for the 52 weeks ended 26 December 2020.

Strategic management

The principal activity of the Company was to act as an agent in the operation of a theme park, Thorpe Park, focused on outdoor attractions including rides and shows, in addition to other corporate facilities.

Under an agency agreement, the Company acts as an agent for Merlin Attractions Operations Limited for which it receives an agency fee. This agreement can be terminated at any point. If this was to occur the principal activity of the Company could no longer be supported. The intention is for the agreement to be terminated and accordingly the financial statements have not been prepared on a going concern basis.

Business performance

The Directors have determined that 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 52 weeks ended 26 December 2020 for the Company show a profit before tax of £672,000 (52 weeks ended 28 December 2019: £990,000). As at 26 December 2020, the Company had net assets of £9,963,000 (28 December 2019: £9,522,000). This is in line with expectations and the Directors are satisfied with the performance and position of the Company.

Business environment

Competition in the leisure and entertainments industry, together with the influence of the weather and socio-economic environment on visitor numbers, represents continuing risks for the Company. 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 1. Accordingly no specific risks and uncertainties are identified in these financial statements.

COVID-19

COVID-19 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. The impact of the COVID-19 outbreak continues to be 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 Merlin Entertainment Group's financial condition and results of operations.

The primary objective of the Group throughout this period has been to protect the wellbeing of employees and guests, and as such, the Group has always followed scientific and government advice, often going above and beyond these requirements to ensure actions have been safe and socially responsible. Merlin's swift response to the evolving pandemic protected the business by taking multiple steps to safeguard attractions and teams, minimise the cost base and protect operating cash flows.

Brexit

While the Group is headquartered in the UK, many of the trading activities are in other countries and Merlin's business model does not require a significant level of cross border trading. As such, the Group's ability to provide services to customers in the countries in which Merlin operates, inside or outside the EU, remains largely unaffected by Brexit.

The Group has acted to minimise risks in the areas that could affect the Group's operations. The actions taken looked to mitigate risks relating to structural issues requiring bilateral or multilateral governmental agreement on taxation, trade tariffs and restrictions on workforce migration of potential employees; and transitory issues arising from administrative, process or market changes. The Directors, as part of the wider Merlin Entertainments Group, continue to monitor the potential impact of Brexit to the Group and the Company.

Directors' Report

The Directors present their Directors' Report and the audited financial statements for the 52 weeks ended 26 December 2020. 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 (2019: *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:

F Rose

M Jowett

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

Political donations

The Company made no political donations during the year (2019: *Nil*).

Going concern

The COVID-19 coronavirus has continued to impact nearly all regions around the world. Notwithstanding any assessment of the ongoing impact of the COVID-19 pandemic on future trading, the financial statements have not been prepared on a going concern basis. As noted in the Strategic Report, under an agency agreement, the Company acts as an agent for Merlin Attractions Operations Limited for which it receives an agency fee. This agreement can be terminated at any point. If this was to occur the principal activity of the Company could no longer be supported.

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 13th September 2021.

By order of the Board



M Jowett

Director

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.

Statement of comprehensive income

for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019)

	<i>Note</i>	2020 £000	2019 £000
Revenue	2	672	990
Profit before tax		672	990
Taxation	4	(231)	(261)
Profit for the year		441	729
Other comprehensive income for the year net of income tax		-	-
Total comprehensive income for the year		441	729

Statement of financial position

as at 26 December 2020 (2019: as at 28 December 2019)

	Note	2020 £000	2019 £000
Current assets			
Trade and other receivables	5	9,963	9,783
Total assets		9,963	9,783
Current liabilities			
Tax payable		-	(261)
Total liabilities		-	(261)
Net assets		9,963	9,522
Capital and reserves			
Share capital	6	-	-
Capital reserve		228	228
Retained earnings		9,735	9,294
Total equity		9,963	9,522

For the year ending 26 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the Board of Directors on 13th September 2021 and were signed on its behalf by:



M Jowett
Director

Statement of changes in equity

for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019)

	Share capital £000	Capital reserve £000	Retained earnings £000	Total equity £000
At 30 December 2018	-	228	8,565	8,793
Income for the year	-	-	729	729
At 28 December 2019	-	228	9,294	9,522
Income for the year	-	-	441	441
At 26 December 2020	-	228	9,735	9,963

Notes to the financial statements

for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019)

1 Accounting policies

Basis of preparation

These financial statements have been prepared for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019).

Thorpe Park Operations 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) as applied in a non-going concern context.

At the time of approving these financial statements the Company is still performing its principal activity but as the arrangements can be terminated at any point these financial statements are not prepared on a going concern basis. All assets are stated at their recoverable amounts. It has not been necessary to make any provision for operating losses. No adjustments were necessary to the figures in moving to a non-going concern basis.

The Company has prepared these financial statements in accordance with international accounting standards in conformity with the requirements of the 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 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 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.

As the consolidated financial statements 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 26 December 2020 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 (continued)
for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019)

1 Accounting policies (continued)

Revenue

Revenue represents intercompany agency fees received.

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.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement unless it relates to items recognised directly in equity, when it is recognised directly in equity, or when it relates to items recognised in other comprehensive income, when it is recognised through the statement of comprehensive income.

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 following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries and joint ventures to the extent that they will probably not reverse in the foreseeable future. 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.

Capital reserve

The capital reserve includes the cumulative amounts recognised in relation to closed share-based payment schemes operated by the Company.

2 Revenue

Revenue is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

3 Operating profit

For the 2020 year end the Company has taken exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. In 2019, the auditor's remuneration of £1,000 was 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 period and are paid by other Group undertakings. The Directors did not receive remuneration for their services to the Company as the services provided to the Company are incidental to their wider role in the Group.

Notes to the financial statements (continued)
for the 52 weeks ended 26 December 2020 (2019: 52 weeks ended 28 December 2019)

4 Taxation

Recognised in the income statement

	2020 £000	2019 £000
Current tax expense Current year	231	261
Total current income tax	231	261
Total tax expense in income statement	231	261

Reconciliation of effective tax rate

	2020 %	2020 £000	2019 %	2019 £000
Profit before tax		672		990
Income tax using the domestic corporation tax rate	19.0%	128	19.0%	188
Imputed interest	15.4%	103	7.4%	73
Total tax expense in the income statement	34.4%	231	26.4%	261

The standard rate for UK corporation tax used in the 52 weeks ended 26 December 2020 was 19.0% (2019: 19.0%). The current rate of 19.0% will continue until April 2023 when it will be increased to 25%, as announced in the 2021 Budget. This will have a consequential effect on the Company's future tax charge.

5 Trade and other receivables

	Current 2020 £000	Current 2019 £000
Amounts owed from Group undertakings	9,963	9,783

6 Share capital and reserves

Share capital

	2020 £000	2019 £000
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	-	-

7 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 Charcoal MidCo 1 Limited, with a registered address of Link House, 25 West Street, Poole, Dorset BH15 1LD.