

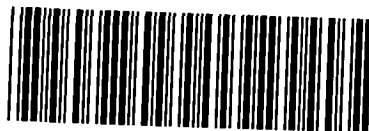
Big Bus Tours Holdings 1 Limited
(Formerly Big Bus Tours Midco Limited)

Annual report and financial statements
Registered number 09435171

30 April 2018

Registered number: 09435171

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Big Bus Tours Holdings 1 Limited

(Formerly Big Bus Tours Midco Limited)

Annual report and financial statements
Year ended 30 April 2018

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Big Bus Tours Holdings 1 Limited

(Formerly Big Bus Tours Midco Limited)

*Annual report and financial statements
Year ended 30 April 2018*

Company information

Directors	Timothy Easingwood John Donaldson Patrick Waterman Richard Lenane Sean Wilkins Alex Payne
Company number	09435171
Registered office	110 Buckingham Palace Road London SW1W 9SA
Auditor	Deloitte LLP Statutory Auditor 1 Station Square Cambridge United Kingdom CB1 2GA
Bankers	HSBC 60 Queen Victoria Street London EC4N 4TR
Solicitors	Brian Harris & Co Solicitors 1 Marylebone High Street London W1U 4LZ

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Strategic Report

This Strategic Report has been prepared solely to provide information to users of the financial statements to assess how the directors have performed their duty to promote the success of the Company.

Business review and key performance indicators

The principal activity of the Group is that of open top sightseeing tour operators, the Company being a holding Company for the Group investments. The Company holds investments and shareholder loans.

The Company issues shareholder loan notes on behalf of the Group. Consequently the risks and uncertainty facing the trading companies within the Group are unlikely to have a significant impact to this Company other than its capacity as a holding company. During the year the interest terms relating to a portion of the shareholder loans were changed and the value of the loans were substantially modified. A capital contribution of \$108,879,117 was recognised as a result of the change in terms.

Going Concern

The Directors have considered the use of the going concern basis in the preparation of the financial statements as at 30 April 2018 and concluded that it was appropriate. More information is provided in the directors report and in note 1 to the financial statements.

In the year ended 30 April 2018, the company made a loss after tax of \$28,547,518 (2017: \$29,191,748).

Subsequent Events

No important events affecting the company and its subsidiary undertakings have occurred since the end of the period.

Future developments

It is expected that the Company will continue manage the borrowings of the Group.

The Company continues to look for opportunities for growth, while continuing to optimise existing operations.



S. Wilkins
Director

Date: 30th August 2018

110 Buckingham Palace Road
London
SW1W 9SA

Big Bus Tours Holdings 1 Limited

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Directors' report

The directors presents their annual report and audited financial statements for the year ended 30 April 2018 prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

A list of the subsidiary undertakings of the Group is disclosed in Note 5.

Results

The loss for the period, after taxation, amounted to \$28,547,518 (2017: \$29,191,748).

Directors and directors' interests

The directors who held office during the period (unless stated otherwise) were as follows:

John Donaldson
Patrick Waterman
Timothy Easingwood
Richard Lenane
Sean Wilkins
Alex Payne

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Political and charitable contributions

During the year the company made political and charitable donations of £nil (2017: £nil).

Financial risk management objectives and policies

The company makes little use of financial tools other than operational bank accounts; so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit of the company.

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 he ought to have taken as a director to make himself aware of any relevant audit information and to ensure that the auditor is made aware of that information.

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

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

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Deloitte have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:



Sean Wilkins

Director

Date: 30th August 2018

110 Buckingham Palace Road
London
SW1W 9SA
United Kingdom

Big Bus Tours Holdings 1 Limited

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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 101 "Reduced Disclosure Framework".

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIG BUS TOUR HOLDINGS 1 LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Big Bus Tours Holdings 1 Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit and loss and comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was valuation of shareholder loan notes.
Materiality	The materiality that we used in the current year was \$57,000 which was determined on the basis of 3% of net assets.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

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Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Shareholder Loan Notes

Key audit matter description



The company has shareholder loans of \$268.6m. In the current year, the terms of the loans were modified to become non-interest bearing. This results in modification of loan terms under IAS 39, which in turn raises the risk, on whether the existing loans should be derecognised and new liability recognised, or the change should be classified as non-substantial modification of the terms, with respective effect recognised in the statement of profit and loss and other comprehensive income for the year.

Judgement is required by the directors with regards to the accounting treatment, which is complex in nature, as well as, determining the appropriate effective discount rate, reflective of the nature of these shareholder loans, used to determine the fair value of the loans.

Further details are included within the strategic report on page 3, critical accounting estimates and judgements note in note 1 to the financial statements.

How the scope of our audit responded to the key audit matter



We reviewed the modification terms in the shareholder loan note agreement and agreed to modified shareholder loan schedule;

We consulted with our own specialists on appropriateness of the discount rate used in the assessment; and

We reviewed accuracy and completeness of management's valuation of the modified shareholder loan notes and evaluated the valuation and accounting thereof, whether they are in line with IAS 39.

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Key observations



Based on the work performed we concluded that the valuation of shareholder loan notes is appropriate, and concur with management that the transaction was a substantial modification.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	\$57,000
Basis for determining materiality	The basis of materiality in the current year is 3% of net assets.
Rationale for the benchmark applied	We determined materiality for the company based on net assets as this is the key metric used by management and investors.

We agreed with the directors that we would report to the directors all audit differences in excess of \$2,850 as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. *We have nothing to report in respect of these matters.*

Our opinion on the financial statements does not cover the other

Big Bus Tours Holdings 1 Limited

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information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions 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.

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 or the directors' report.

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Matters on which we are required to report by exception

Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have nothing to report in respect of these matters.

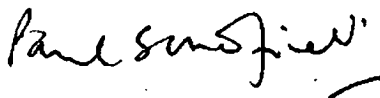
Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

Use of our report

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.



Paul Schofield FCA
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 August 2018

Big Bus Tours Holdings 1 Limited

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Statement of Profit and Loss and Comprehensive Income

For the year ended 30 April 2018

	Note	2018 \$000	2017 \$000
Revenue		-	-
Gross profit		-	-
Administrative expenses		(7)	-
Loss from operating activities		(7)	-
Finance income	2	27	766
Finance expenses	3	(28,568)	(30,457)
Loss before income tax		(28,548)	(29,691)
Income tax credit	4	-	-
Loss for the period from continuing operations		(28,548)	(29,691)
Profit for the year from discontinued operations		-	499
Other comprehensive income for the period net of tax		-	-
Total comprehensive income for the period		(28,548)	(29,192)

All results are generated from continuing operations.

The notes on pages 15-24 are an integral part of these financial statements.

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Balance Sheet

As at 30 April 2018

	Note	2018 \$000	2017 \$000
Non-current assets			
Investment in subsidiary	5	941	941
		<u>941</u>	<u>941</u>
Current assets			
Receivable from a related party	7	284,434	284,564
Total assets		<u>285,375</u>	<u>285,505</u>
Current liabilities			
Trade and other payables		8	9
Net current assets		<u>8</u>	<u>9</u>
Non-current liabilities			
Loan from a related party	7	(268,627)	(349,089)
Total liabilities		<u>(268,619)</u>	<u>(349,080)</u>
Net assets/(liabilities)		<u>16,756</u>	<u>(63,575)</u>
Issued capital and reserves attributable to owners			
Share capital	8	948	948
Share premium	8	639	639
Capital contribution reserve	8	108,879	-
Retained earnings		(93,710)	(65,162)
Total equity		<u>16,756</u>	<u>(63,575)</u>

The notes on pages 15-24 are an integral part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Board of Directors on 30th August 2018.



Sean Wilkins
Director

Big Bus Tours Holdings 1 Limited
(Formerly Big Bus Tours Midco Limited)

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Statement of changes in equity
For the year ended 30th April 2018

	Share capital \$000	Share Premium \$000	Retained earnings \$000	Capital Contribution Reserve \$000	Total equity \$000
Balance at 30 April 2016	941	-	(35,970)	-	(35,029)
Total comprehensive income for the period	-	-	-	-	-
Loss for the period	-	-	(29,192)	-	(29,192)
<i>Total comprehensive loss for the period</i>	-	-	(29,192)	-	(29,192)
Issue of share capital	7	639	-	-	646
Balance at 30 April 2017	948	639	(65,162)	-	(63,575)
Total comprehensive income for the period	-	-	-	-	-
Loss for the period	-	-	(28,548)	-	(28,548)
<i>Total comprehensive loss for the period</i>	-	-	(28,548)	-	(28,548)
Capital Contribution	-	-	-	108,879	108,879
Balance at 30 April 2018	948	639	(93,710)	108,879	16,756

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Notes *(to the financial statements)*

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the reporting period.

Big Bus Tours Holdings 1 Limited (the "Company") is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2.

These financial statements are separate financial statements. The Company is exempt by virtue of Section 400 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. Details of the parent company of the Company are provided in Note 9.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. The financial statements have therefore been prepared in accordance with FRS 101.

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

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' report also describes the financial position of the Company; the Company's objectives, policies and processes and its financial risk management objectives.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In forming this opinion the Directors have considered the principal risks and uncertainties facing the company as well as the company's cash flow forecasts. As at 30 April 2018 the Company had a net asset position of \$16.8m and losses of \$28.5m. The Company has received letter of support from ultimate parent confirming shareholder loan will not be recalled 12 months after date of signing. Accordingly the Directors continue to adopt the going concern basis in preparing the annual financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis and are presented in the functional currency of United States Dollars ("USD"). Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell. Where there are assets and liabilities calculated on a different basis, this fact is disclosed in the relevant accounting policy.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into "United States Dollars (USD)" and recorded at exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into USD at exchange rates ruling at the reporting date. Non-monetary assets and liabilities, which are stated at historical cost, are translated into USD at exchange rates ruling at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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Notes (continued)

1. Accounting policies (continued)

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

Income tax for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from differences which arise on initial recognition of assets and liabilities, allowances and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Investments

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

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Notes (continued)

1. Accounting policies (continued)

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. In such instances where the financial liability of the Company is to its parent, a capital contribution is recognised to the extent that the Company is not recharged by its parent.

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 as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Finance expense

Finance expenses comprise interest expense on borrowings from related parties. Interest is calculated using the effective interest method.

Other interest expenses are recognized as an expense in the period in which they are incurred.

Critical accounting judgements and key sources of estimation uncertainty

In the application of accounting policies, which are described in this note, 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, judgements 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.

The directors have considered the above and do not consider there to be any material judgements or estimates included in these financial statements.

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Notes (continued)

2. Finance income

	2018 \$000	2017 \$000
Interest on shareholder loans	27	766
	<u>27</u>	<u>766</u>

3. Finance expenses

	2018 \$000	2017 \$000
Interest on shareholder loans	28,568	30,457
	<u>28,568</u>	<u>30,953</u>

All shareholder loans mature in 2022. Further details of the loan are detailed in Note 7.

4. Taxation

	2018 \$000	2017 \$000
Profit/(loss) before taxation	(28,548)	(20,691)
Tax using the UK corporation tax rate of 19% (2017: 19.92%)	(5,424)	(5,914)
Expenses not deductible for tax purposes	-	4,735
Deferred tax assets not recognised	-	287
Non-taxable income	3,925	(153)
Adjustments to tax rates on deferred balances	-	89
Group Relief	1,499	956
Total tax expense Group Relief	<u>-</u>	<u>-</u>

The standard rate of tax applied to reported profit on ordinary activities is 19% (2017: 20%). Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

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Notes (continued)

5. Investments

	2018	2017
	\$000	\$000
Cost		
At 30 April	941	941
Additions	-	46,584
Disposals	-	(46,584)
At 30 April	<u>941</u>	<u>941</u>
Impairment		
At 30 April	-	-
Carrying amount		
At 30 April	<u>941</u>	<u>941</u>

Investments in subsidiaries are held at cost less impairment.

The following were owned subsidiaries of Big Bus Tours Holdings 1 Limited at the end of the period.
Shares held are Ordinary Shares unless otherwise stated.

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Notes (continued)

5. Investments (continued)

Companies where the principal activity is as a sightseeing bus tour operator:

Subsidiaries	Registered address	Shares held
Big Bus Tours Holdings 2 Ltd ①	110 Buckingham Palace Road, London, SW1W 9SA	100%
Big Bus Tours Group Ltd ②	110 Buckingham Palace Road, London, SW1W 9SA	100%
Big Bus Tours Ltd ②	110 Buckingham Palace Road, London, SW1W 9SA	100%
The Big Bus Company Ltd ③	110 Buckingham Palace Road, London, SW1W 9SA	100%
Les Cars Rouges S.A. ③	17 Quai de Grenelle 75015 Paris	100%
Double Decker Bus Tours LLC ④	21C street, 16 shed no Al Qouz Industrial Area 3 Dubai	49%
City Sightseeing Washington DC, Inc. ④	5500 Tuxedo Road Hyattsville	100%
Open Top Sightseeing San Francisco LLC ④	3240 3rd street, San Francisco	100%
Taxi Tours Inc. ④	723 7th Ave, 5th Floor New York, 10019	100%
The Big Bus Company (Hong Kong) Ltd ③	Unit 6, 8th Floor, Tower 1, South Seas Centre 75 Mody Road, Kowloon	100%
Open Top Sightseeing Las Vegas, Inc. ④	3201 Builders Ave, Las Vegas NV 89101	100%
Conway Tours, Inc. ④	2444 NW 7th Place Miami, FL 33127	100%
Big Bus Tours LLC (Abu Dhabi) ③	PO Box 95120, Abu Dhabi	49%
City Sightseeing Kft ④	Andrássy út 3 5/2 Budapest, 1061	100%
Big Bus Tours LLC (Muscat) ③	PO Box 1694, Muscat	50%
Big Bus Vienna GmbH ④	Walfischgasse 5/4 1010 Vienna, Austria	100%
Big Bus Tours Rome S.R.L. ④	Via Nazionale 208 3rd floor Rome, 00184	100%
Chicago Gray Line Ltd ④	630 W 41st Street, Unit B Chicago, IL 60609	100%
City Sightseeing Pty Ltd ④	City Sightseeing Pty Ltd PO Box 1980, Maroubra NSW 2035, Australia	100%

① Held by Big Bus Tours Holdings 2 Ltd

② Held via Big Bus Tours Group Ltd

③ Held via Big Bus Tours Ltd

④ Held via Open Top Sightseeing USA, Inc.

⑤ Held via Double Decker Bus Tours LLC

⑥ Held via Big Bus Tours Australia Pty Limited

⑦ Held via the Big Bus Company Ltd and Les Cars Rouges S.A.

⑧ Held by Big Bus Tours Holdings 1 Limited

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5. Investments (continued)

Companies with other principal activity:

Subsidiaries	Registered address	Shares held	Principal activities
The Big Bus Company, Inc. ①	5500 Tuxedo Road Hyattsville	100%	Leasing of tour buses
The Big Bus Company of Pennsylvania, Inc. ②	5500 Tuxedo Road Hyattsville	100%	Franchise and licensing of bus tours in the city of Philadelphia PA
The Big Bus Coach (HK) Ltd ③	Unit 6, 8th Floor, Tower 1, South Seas Centre 75 Mody Road, Kowloon	100%	Leasing of tour buses
Shanghai Big Bus Management Consulting Company Ltd ④	Rm 1205, Hui Jin Tower, 515 Hankou Rd, Shanghai	100%	Provide management services to another entity who are a sightseeing bus tour operator.
Open Top Sightseeing Italy S.R.L. ⑤	Via Nazionale 208 3rd floor Rome, 00184	100%	Leasing of tour buses
Cédres Participations Sarl ⑥	17 Quai de Grenelle 75015 Paris	60%	Travel agent
F.COM France Eurl ⑦	17 Quai de Grenelle 75015 Paris	90.91%	Travel agent
Arbimini Holding GmbH ⑧	Walfischgasse 5/4 1010 Vienna, Austria	100%	Holding Company
Open Top Sightseeing USA, Inc. ⑨	5500 Tuxedo Road Hyattsville	100%	Holding for OTS Group
Open Top Sightseeing Los Angeles, Inc. ⑩	5500 Tuxedo Road Hyattsville	100%	Non-operating entity
OTL West Coast, LLC (formerly Open Top Leasing A LLC) ⑪	5500 Tuxedo Road Hyattsville	100%	Leasing of tour buses
Big Bus Tours (Miami) Property ⑫	2444 NW 7th Place Miami, FL 33127	100%	Property holding Company
Skyline Tours, LLC ⑬	2444 NW 7th Place Miami, FL 33127	100%	Licence owner
Big Bus Tours Australia Pty Limited ⑭	PO Box 1980, Maroubra NSW 2035, Australia	100%	Holding Company
Darwin Explorer Unit Trust ⑮	Unit 4.02, Floor 4 9 Help Street Chatswood, NSW, 2067	50%	Trustee Company
Big Bus EU Limited ⑯	110 Buckingham Palace Road, London SW1W 9SA	100%	Holding Company

① Held via The Big Bus Company Ltd

② Held via The Big Bus Company, Inc.

③ Held via The Big Bus Company (Hong Kong) Ltd

④ Held via Les Cars Rouges S.A.

⑤ Held via Open Top Sightseeing USA, Inc.

⑥ Held via Big Bus Tours Limited

⑦ Held via Big Bus Vienna GmbH

⑧ Held via Big Bus Tours Australia Pty Limited

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Notes (continued)

6. Auditors' and directors' remuneration

(a) Fees payable to Deloitte LLP for the audit of the company were borne by the other companies within the Group and disclosed in the consolidated financial statements of Big Bus Tours Group Holdings Limited. Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

(b) All directors were remunerated for their services by the Company's subsidiary Big Bus Tours Group Limited. Included in group consolidated accounts, Directors remuneration for qualifying services to the Company is \$nil (2017: \$nil). The Company does not have any employees and as such has incurred no personnel expenses in the period.

7. Related parties

	Balance as at 30 April 2017 \$000	Interest Received \$000	Payments \$000	Capital Contribution \$000	Balance as at 30 April 2018 \$000
<u>Amounts owed from</u>					
Big Bus Tours Holdings 2 Ltd	228,195		(158)		228,037
Big Bus Tours Group Holdings Ltd	55,435	1			55,436
Patrick Waterman	934	27			961
	<u>284,564</u>	<u>28</u>	<u>(158)</u>		<u>284,434</u>
<u>Amounts owed to</u>					
	Balance as at 30 April 2017 \$000	Interest Expense \$000	Payments \$000	Modification \$000	Balance as at 30 April 2018 \$000
Shareholder loan notes	349,089	28,417		(108,879)	268,627
	<u>349,089</u>	<u>28,417</u>		<u>(108,879)</u>	<u>268,627</u>

Balances held by the Company with Big Bus Tours Holdings 2 Ltd have no fixed repayment date or applicable interest rate. The amounts outstanding are unsecured. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Balances held by the Company with Big Bus Tours Group Holdings Ltd are repayable in 7 years with 10% fixed annual interest. The interest charge was waived for the year.

A portion of the shareholder loan notes is listed in the Channel Islands. During the year the interest terms on Shareholder loans were changed from 10% compounding quarterly or two times nominal to 0%. This led to a substantial modification and re-measurement of those loans. As a result a capital contribution of \$108,879 was recognised in equity.

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Notes (continued)

7. Related parties (continued)

The following have been determined to be related parties of the Group in accordance with IAS 24 and hold the above financial instruments as at 30 April 2018:

Related party	Instrument held	Value as at 30 April 2018 \$000	Applicable interest rate	Maturity date
Exponent Private Equity	Shareholder loan notes	141,512	10% compounding quarterly or 2x the nominal or 0%	18 March 2022
Patrick Waterman	Shareholder loan	961	3% straight line	18 March 2022
Eden Midco 1 Ltd	Shareholder loan notes	3,850	10% compounding quarterly or 0%	18 March 2022

During the year the interest terms on certain tranches of the Shareholder loans owed by the Company were revised. As a result this led to a capital contribution of \$108,879,117 being recognised.

8. Share capital

Authorized and issued share capital

The Company's authorised and issued share capital at 30 April 2018 was \$947,655.30 (2017: \$947,655.30) divided into 94,765,530 Ordinary shares of \$0.01 each.

	2018 \$000	2017 \$000
Opening balance	948	941
Allotted during the year	-	7
Issued and fully paid up Ordinary Shares	948	948

Each ordinary share carries one vote. The ordinary shares are unrestricted and carry the right to participate equally in any distributions, as respects dividends and as respects capital and are non-redeemable.

9. Parent company and controlling party

The parent company is Big Bus Tours Group Holdings Limited, a company incorporated in the United Kingdom.

The results of the company are currently consolidated by Big Bus Tours Group Holdings Limited. The consolidated financial statements are available to the public and can be obtained from its registered office at 110 Buckingham Palace Road, London, SW1W 9SA and at Companies House, Crown Way, Cardiff CF14 3UZ.

The parent undertaking of the largest group, which includes the Company and for which the group accounts are prepared, is Big Bus Tours Group Holdings Limited. The parent undertaking of the smallest such group is Big Bus Tours Group Holdings 1 Limited, a company incorporated in the United Kingdom at 110 Buckingham Palace Road, London, SW1W 9SA.

The ultimate controlling party is Exponent Private Equity Partners GP III, LP which acquired Big Bus Tours Limited on 18 March 2015.

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Notes *(continued)*

10. Subsequent events

No important events affecting the company and its subsidiary undertakings have occurred since the end of the period.