

Annual Report and
Financial Statements for
the year ended
31 December 2016

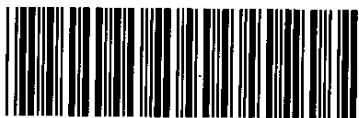
Full House Midco
Limited

Registered No. 08794621

Registered office:

Barnard's Inn
86 Fetter Lane, London EC4A 1EN

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Full House Midco Limited
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Full House Midco Limited

Strategic report

The directors present their strategic report on the Company for the year ended 31 December 2016.
The directors in preparing this strategic report have complied with s414c of the Companies Act 2006.

Introduction

The principal activity of Full House Midco Limited is that of an intermediate holding company within the group of companies headed by Full House Topco Limited.

The subsidiary undertaking is listed in note 8 to the accounts.

Business review

The business continues to act as an intermediate holding company and will continue to do so for the foreseeable future.

Principal risks and uncertainties

The principal risks relate to the operations of the subsidiary company which operates in the theatre ticket industry. The following are the principal risks affecting a company in the theatre ticket industry.

Competition is always a risk, however the directors believe it is well positioned to counter any such threat.

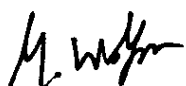
Whereas the number of theatres in London remains constant, 2016 had a lack of refreshed product and some extended dark periods in major venues, but 2017 has an encouraging line up of new product that should stimulate the market.

Global events, such as terrorist attacks, are a risk to the theatre tourism business as this business is susceptible to overseas travel fluctuations.

Future developments

The directors expect the company to continue as an intermediate holding company.

Approved by the Board and signed on its behalf by:



Michael Wolfson

Director

Date: 05 May 2017

Full House Midco Limited
Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements, for the year ended 31 December 2016.

Results and dividends

The loss before tax for the financial year amounted to £1,140,733 (2015: loss £839,781). During the year, no interim dividends were paid. The directors do not recommend the payment of a final dividend.

Principal activities and review of the business

The principal activity of Full House Midco Limited is that of an intermediate holding company within the group of companies headed by Full House Topco Limited.

Directors

The directors who served throughout the year except as noted were as follows:

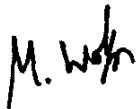
Ashley Herman
John Wales
Fiona Talbot
Michael Wolfson

Resigned 1 May 2016.
Appointed 9 May 2016.

Exemption from audit

Full House Midco Limited is a subsidiary of Full House Topco Limited (registered number: 08794547) and is exempt from the requirement of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

The report was approved by the board of directors on 05 May 2017 and signed on behalf of the Board by:



Michael Wolfson
Director

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed for the group financial statements and IFRSs as adopted by the European Union have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Full House Midco Limited
Statement of profit and loss and other comprehensive income
for the year ended 31 December 2016

	Note	2016 £	2015 £
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
<i>Administrative expenses</i>		(5,023)	(15,657)
Operating loss		(5,023)	(15,657)
Finance income	5	5,700,429	5,482,988
Finance costs	6	(6,836,139)	(6,307,112)
Loss before income tax		(1,140,733)	(839,781)
Income tax expense	7	(671,417)	(498,796)
Loss for the year		(1,812,150)	(1,338,577)
<i>Other comprehensive income net of tax</i>		-	-
Total comprehensive loss for the year		(1,812,150)	(1,338,577)

None of the company's activities were acquired or discontinued during the current or previous period.

Full House Midco Limited

Balance sheet

as at 31 December 2016

	Note	2016 £	2015 £
Non-current assets			
Trade and other receivables	10	9,000,000	55,046,694
Investments	8	64,325,483	3,578,360
Deferred tax assets	9	237,817	265,619
Total non-current assets		73,563,300	58,890,673
Current assets			
Cash		-	1,000
Total current assets		-	1,000
Total assets		73,563,300	58,891,673
Current liabilities			
Trade and other payables	12	56,831	52,808
Taxes payable		2,179,530	1,535,915
		2,236,361	1,588,723
Net current liabilities		(2,236,361)	(1,587,723)
Non-current liabilities			
Loans and borrowings	11	21,204,016	58,867,897
Total non-current liabilities		21,204,016	58,867,897
Total liabilities		23,440,377	60,456,620
Net assets/(liabilities)		50,122,923	(1,564,947)
Equity			
Share capital	14	5,784	5,784
Share premium	15	572,576	572,576
Other reserves	16	53,500,020	-
Retained earnings	17	(3,955,457)	(2,143,307)
Total equity		50,122,923	(1,564,947)
Total equity and liabilities		73,563,300	58,891,673

For the year ended 31 December 2016, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to small 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 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements for Full House Midco Limited (registered no. 08794621) on pages 3 to 17 were approved by the Board of Directors on 05 May 2017 and signed on behalf of the Board by:



Michael Wolfson
Director

Full House Midco Limited
Statement of changes in equity
For the year ended 31 December 2016

	Note	Share capital £	Share premium £	Other reserves £	Retained earnings £	Total £
At 1 January 2015		5,784	572,576	-	(804,730)	(226,370)
Profit for the year		-	-	-	(1,338,577)	(1,338,577)
At 31 December 2015		5,784	572,576	-	(2,143,307)	(1,564,947)
Issue of shares		-	-	-	-	-
*Debt capitalisation	16	-	-	53,500,020	-	53,500,020
Profit for the year		-	-	-	(1,812,150)	(1,812,150)
At 31 December 2016		5,784	572,576	53,500,020	(3,955,457)	50,122,923

*Debt capitalisation related to the capitalisation of rollover loan note and loan note principal and interest as part of the refinancing agreement with shareholders.

Full House Midco Limited
Cash flow statement
as at 31 December 2016

	Note	2016 £	2015 £
Cash flow from operating activities			
Loss before tax		(1,140,733)	(839,781)
Adjustments for:			
Finance income	5	(5,700,429)	(5,482,988)
Finance costs	6	6,836,139	6,307,112
Increase in payables		4,023	16,657
Net cash from operations		(1,000)	1,000
Net (decrease)/ increase in cash and bank balances		(1,000)	1,000
Cash and bank balances at the beginning of the year		1,000	-
Cash and bank balances at the end of the year		-	1,000

Full House Midco Limited
Notes to the financial statements
for the year ended 31 December 2016

1. General information

Full House Midco Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address and registered office is given on the cover to these financial statements. The principal activity of the company is set out on page 4.

2. New and revised IFRSs in issue but not yet effective

a) New standards, amendments and interpretations

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 January 2016 have had a material impact on the group or parent company.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the group or parent company, except the following, set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different from that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted, subject to EU endorsement. The impact of IFRS 9 is being assessed by management. The main impact is likely to arise from the implementation of the expected loss model although full quantification of this impact is still underway.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted, subject to EU endorsement. The impact of IFRS 15 is being assessed by management. Implementation of IFRS15 requires a thorough review of existing contractual arrangements.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

3. Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding period. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to IFRS.

An overview of standards, amendments and interpretations to IFRSs issued but not yet effective, and which have not been adopted early by the Group are presented in note 2.

3.1. Basis of preparation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as applicable to small and medium-sized entities. These are the Company's first financial statements prepared in accordance with IFRS. The financial statements of the Company are prepared on the historical cost basis, except certain financial instruments that are stated at fair value. These are the separate accounts of Full House Midco Limited and the exemption from consolidation has been applied. Full House Midco Limited's accounts are consolidated in the accounts of Full House Topco Limited, a company incorporated in England and Wales. The consolidated accounts are available at the registered office of Full House Midco Limited; the accounts are presented in sterling and rounded to the nearest pound.

3.2. 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 on page 3.

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors have assessed the responses of the directors of the company's ultimate parent, Full House Topco Limited, to their enquiries and have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Full House Topco Group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Full House Topco Limited, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3.3. Revenue

Revenue represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where revenue is recognized when the company obtains the right to consideration.

3.4. Investments

Investments are shown at cost less provision for impairment.

3.5. 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.

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

4. Directors remuneration

The directors do not receive any remuneration from the Company. The aggregate remuneration received by the directors during the year from other Group companies was £665,204 (2015 - £599,318). The highest paid director received £135,976 (2015 - £133,939).

5. Finance Income

	2016	2015
	£	£
Interest receivable from related parties	5,700,429	5,482,988
	5,700,429	5,482,988

6. Finance costs

	2016	2015
	£	£
Interest on loan notes	6,836,139	6,307,112
	6,836,139	6,307,112

7. Tax

Tax on loss/profit on ordinary activities

	2016	2015
	£	£
Corporation tax:		
Current tax on loss for the year	631,976	498,796
Adjustments in respect of prior years	11,639	-
Total current tax	643,615	498,796
Deferred tax:		
Adjustment in respect of previous periods	(4,553)	-
Effect of changes in tax rates	32,355	-
Total deferred tax	27,802	-
Tax benefit	671,417	498,796

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

7.1. Factors affecting tax charge for the year

Corporation tax is calculated at 20.0% (2015: 20.25%) of the estimated taxable profit for the year. The corporation tax rate changed from 21% to 20% on 1 April 2015.

7.2. Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

The charge for the year can be reconciled to the profit in the income statement as follows:

	2016	2015
	£	£
Loss for the year - continuing operations	(1,140,733)	(839,781)
Tax on loss at standard rate of 20.00% (2015: 20.25%)	(228,147)	(170,056)
Adjustments in respect of prior years	43,994	-
Expenses not deductible	855,064	792,559
Effects of other tax rates	506	(7,685)
Amounts not recognised	-	(116,022)
	671,417	498,796

8. Investments

	2016	2015
	£	£
Cost at 1 January	3,578,360	3,578,360
Additions	60,747,123	-
Cost at 31 December	64,325,483	3,578,360

The Company has investments in the following subsidiary undertaking which is incorporated in the United Kingdom and registered in England and Wales. The registered office of the subsidiary is: Barnard's Inn, 86 Fetter Lane, London EC4A 1EN.

Company	% holding	Share class	Principal activity
Full House Bidco Limited	100	Ordinary	Service company

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

9. Deferred tax assets

	2016	2015
	£	£
Provision at the start of the period	265,619	-
Adjustment in respect of prior years	(32,355)	-
Deferred tax charge to income statement in the period	4,553	265,619
	237,817	265,619
Temporary differences in trading	237,817	265,619
	237,817	265,619
Recoverable within 12 months	5,000	-
Recoverable after 12 months	232,817	265,619
	237,817	265,619

10. Trade and other receivables

	2016	2015
	£	£
Non-current		
Amounts owed by related parties	9,000,000	55,046,694
	9,000,000	55,046,694

11. Loans and borrowings

	2016	2015
	£	£
Shareholder loan	9,000,000	-
Shareholder loan interest	172,101	-
Loan notes	11,805,240	46,593,000
Loan notes - Interest	226,110	11,818,274
Amounts owing to related parties	565	456,623
	21,204,016	58,867,897

Loans are repayable between two and five years. Average interest rates are : 12% (2015: 12%)

12. Trade and other payables

	2016	2015
	£	£
Current		
Amounts owing to related parties	56,831	52,808
	56,831	52,808

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

13. Analysis of changes in net debt

	31 December 2015 £	Cash flows £	Non-cash £	31 December 2016 £
Current assets				
Cash	1,000	(1,000)	-	-
Current liabilities				
Debt due with in 1 year	1,588,723	-	647,638	2,236,361
No-Current liabilities				
Loans over one year	58,867,897	-	(37,663,881)	21,204,016
Net debt	60,457,620	(1,000)	(37,016,243)	23,440,377
			2016	2015
			£	£
(Decrease)/increase in cash			(1,000)	1,000
			(1,000)	1,000
Other non-cash adjustments			(37,016,243)	7,088,184
Movement in net debt			(37,017,243)	7,089,184
Net debt at 1 January			60,457,620	53,368,436
			23,440,377	60,457,620

14. Share capital

	2016 £	2015 £
578,360 ordinary shares of £0.01 each	5,784	5,784
Additions in the year 41 shares of £0.01 each (2015: nil)	-	-
	5,784	5,784

All shares are fully allotted and paid up.

15. Share premium account

	2016 £	2015 £
At 1 January	572,576	572,576
At 31 December	572,576	572,576

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

16. Other reserves

	2016	2015
	£	£
At 1 January	-	-
Debt capitalisation	53,500,020	-
At 31 December	53,500,020	-

Other reserves relate to the capitalisation of rollover loan note and loan note principal and interest as part of the refinancing of the Group.

17. Retained earnings

	2016	2015
	£	£
At 1 January	(2,143,307)	(804,730)
Net loss for the year	(1,812,150)	(1,338,577)
At 31 December	(3,955,457)	(2,143,307)

18. Financial risk management

Objectives and policies

The Company's principal financial liabilities comprise loans and borrowings. The main purpose of these financial liabilities is to raise finance for the subsidiaries operations.

The Company is exposed to credit risk, interest rate risk, and liquidity risk.

The Company's senior management oversees the management of these risks and ensures the financial risk-taking activities are governed by appropriate policies and procedures and the financial risks are identified, measured and managed in accordance with Company policies and Company risk appetite.

The Board of Managers reviews and agrees policies for managing each of these risks which are summarised below.

a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its role as a service company and from its financing activities, including deposits with banks.

b) Interest rate risk

All balances are with related parties and the interest rate risk is low.

c) Foreign currency risk

The Company has no significant foreign currency risk.

d) Liquidity Risk

The Company is funded by related parties and the liquidity risk is limited to that of the parent company. The going concern of Full House Topco Limited has been assessed and the liquidity risk is low for the foreseeable future.

Full House Midco Limited
Notes to the financial statements (continued)
for the year ended 31 December 2016

e) Capital risk management

The Company's capital structure and policies are regularly reviewed to ensure that they remain relevant to the Company's business plans for growth. The Company is financed by its shareholder.

The carrying amounts of financial instruments are as follows:

	Less than 1 month	to 3 months	3 months to 1 year	Over 1 year	Total
31 December 2016	£	£	£	£	£
Financial assets - Loans and receivables					
Amounts owed by Group entities	-	-	-	9,000,000	9,000,000
Cash and bank balances	-	-	-	-	-
Financial liabilities - at amortised cost					
Trade and other payables	-	-	(56,831)	-	(56,831)
Amounts owed to Group entities	-	-	-	(21,204,016)	(21,204,016)
Net debt	-	-	(56,831)	(12,204,016)	(12,260,847)

	Less than 1 month	to 3 months	3 months to 1 year	Over 1 year	Total
31 December 2015	£	£	£	£	£
Financial assets - Loans and receivables					
Amounts owed by Group entities	-	-	-	55,046,694	55,046,694
Cash and bank balances	1,000	-	-	-	1,000
Financial liabilities - at amortised cost					
Trade and other payables	-	-	(52,808)	-	(52,808)
Amounts owed to Group entities	-	-	-	(58,867,897)	(58,867,897)
Net debt	1,000	-	(52,808)	(3,821,203)	(3,873,011)

19. Related party transactions

The Group has a controlling shareholder relationship with its ultimate parent, ECI Partners LLP.

20. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking of the company is Full House Topco Limited, a company incorporated in the United Kingdom and registered in England and Wales.

Full House Topco Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of these accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3U2.

The directors consider the ultimate controlling party of the company to be ECI Partners LLP acting in its capacity as manager of ECI9A LP and ECI9B LP.