

**Strategic Report, Report of the Directors and
Financial Statements
for the Period
27 November 2014 to 30 November 2015
for
RTL Midco Limited**



RTL Midco Limited

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for the Period 27 November 2014 to 30 November 2015**

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RTL Midco Limited
Company Information
for the Period 27 November 2014 to 30 November 2015

DIRECTORS:

D Clemson
E Moore

REGISTERED OFFICE:

New Manor
328 Wetmore Road
Burton on Trent
Staffordshire
DE14 1SP

REGISTERED NUMBER:

9330708 (England and Wales)

AUDITORS:

KPMG LLP
St Nicholas House
Park Row
Nottingham
NG1 6FQ

RTL Midco Limited

**Strategic Report
for the Period 27 November 2014 to 30 November 2015**

The directors present their strategic report for the period 27 November 2014 to 30 November 2015.

REVIEW OF BUSINESS

The Company has performed in line with the Directors' expectations during the current period.

The loss for the period amounted to £7,130,711.

PRINCIPAL RISKS AND UNCERTAINTIES

Discussion of these risks in the context of the Group as a whole, and also a description of the Group's financial risk management objectives and policies, is in the Directors' Report of RTL Topco Limited, which does not form a part of this report.

KEY PERFORMANCE INDICATORS (KPI'S)

Given the nature of the Company's activities the Directors believe that analysis of KPI's for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'David Clemson', with a stylized flourish at the end.

David Clemson
Director

Date: 29 January 2016

RTL Midco Limited

**Report of the Directors
for the Period 27 November 2014 to 30 November 2015**

The directors present their report with the financial statements of the company for the period 27 November 2014 to 30 November 2015.

INCORPORATION

The company was incorporated on 27 November 2014 and commenced trading on 18 December 2014.

DIVIDENDS

No dividends will be distributed for the period ended 30 November 2015.

DIRECTORS

The directors who have held office during the period from 27 November 2014 to the date of this report are as follows:

D Clemson - appointed 18 December 2014
E Moore - appointed 18 December 2014
W Skinner - appointed 27 November 2014 - resigned 18 December 2014
T M Dunn - appointed 27 November 2014 - resigned 18 December 2014
D Burns - appointed 27 November 2014 - resigned 18 December 2014

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors 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). 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

RTL Midco Limited

**Report of the Directors
for the Period 27 November 2014 to 30 November 2015**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'David Clemson', written over a horizontal line.

David Clemson
Director

Date 29 January 2016

**Report of the Independent Auditors to the Members of
RTL Midco Limited**

We have audited the financial statements of RTL Midco Limited for the period ended 30 November 2015 on pages six to twelve. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page three, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 November 2015 and of its loss for the period 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.

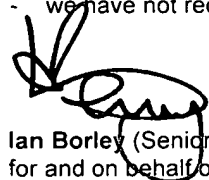
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



Ian Borley (Senior Statutory Auditor)
for and on behalf of KPMG LLP
St Nicholas House
Park Row
Nottingham
NG1 6FQ

Date: 29 January 2016.

RTL Midco Limited
Profit and Loss Account
for the Period 27 November 2014 to 30 November 2015

	Notes	£
TURNOVER		<u>-</u>
OPERATING PROFIT	3	-
Interest payable and similar charges	4	<u>(7,455,781)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(7,455,781)
Tax credit on loss on ordinary activities	5	<u>325,070</u>
LOSS FOR THE FINANCIAL PERIOD		<u><u>(7,130,711)</u></u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current period.

The notes form part of these financial statements

RTL Midco Limited (Registered number: 9330708)

Balance Sheet
30 November 2015

	Notes	£	£
FIXED ASSETS			
Investments	6		725,000
CURRENT ASSETS			
Debtors	7	<u>78,525,070</u>	
NET CURRENT ASSETS			<u>78,525,070</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			79,250,070
CREDITORS			
Amounts falling due after more than one year	8		<u>(85,655,781)</u>
NET LIABILITIES			<u>(6,405,711)</u>
CAPITAL AND RESERVES			
Called up share capital	10		7,250
Share premium	11		717,750
Profit and loss account	11		<u>(7,130,711)</u>
SHAREHOLDER'S FUNDS	15		<u>(6,405,711)</u>

The financial statements were approved by the Board of Directors on 29 January 2016 and were signed on its behalf by:



Ewan Moore
Director

The notes form part of these financial statements

RTL Midco Limited

Notes to the Financial Statements
for the Period 27 November 2014 to 30 November 2015

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention, notwithstanding net liabilities of £6,405,711 at 30 November 2015 as a result of intercompany loans. The Directors of the Group have prepared forecasts which demonstrate that the Group has sufficient headroom within the facilities for the foreseeable future. On this basis the directors believe it is appropriate to prepare these financial statements on a going concern basis.

Preparation of consolidated financial statements

The financial statements contain information about RTL Midco Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, RTL Topco Limited, a company registered in England and Wales.

Financial Reporting Standard number 1

The company is a wholly owned subsidiary of RTL Topco Limited and is included in the consolidated financial statements of that company which are publicly available. Consequently, the company has taken advantage of the exemption for preparing a cash flow statement under the terms of FRS 1 (Revised 1996).

Related party exemption

The company has taken advantage of the exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

Current tax, including UK corporation 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. A net deferred tax asset is regarded as recoverable and therefore recognised only when, 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.

Debt

Debt is initially stated at the amount of net proceeds after deduction of issue costs.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

2. STAFF COSTS

There were no staff costs for the period ended 30 November 2015.

3. OPERATING PROFIT

The operating profit is stated after charging:

Directors' remuneration

£

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The Directors' costs have been borne by a parent company.

4. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable

£

7,455,781

RTL Midco Limited

Notes to the Financial Statements - continued for the Period 27 November 2014 to 30 November 2015

5. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the period was as follows:

	£
Current tax:	
Group relief	(88,915)
Deferred tax credit	<u>(236,155)</u>
Tax on loss on ordinary activities	<u>(325,070)</u>

Factors affecting the tax credit

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Loss on ordinary activities before tax	<u>(7,455,781)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.30%	(1,513,524)
Effects of:	
Expenses not deductible for tax purposes	1,158,437
Other timing differences	266,315
Other permanent differences	<u>(143)</u>
Current tax credit	<u>(88,915)</u>

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 November 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

RTL Midco Limited

Notes to the Financial Statements - continued
for the Period 27 November 2014 to 30 November 2015

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Additions	<u>725,000</u>
At 30 November 2015	<u>725,000</u>
NET BOOK VALUE	
At 30 November 2015	<u>725,000</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary undertaking	Country of incorporation	Proportion held		Nature of business
		Direct	Indirect	
RTL Cleanco Limited	England and Wales	100%		Holding
RTL Bidco Limited	England and Wales	-	100%	Holding
Riviera Tours Limited	England and Wales	-	100%	Tour operator
Riviera Tours (Transport) Limited	England and Wales	-	100%	Tour operator

The addition to investments relates to the acquisition of the whole of the issued share capital of RTL Cleanco Limited on 18 December 2014.

7. DEBTORS

	£
Amounts falling due within one year:	
Amounts owed by group undertakings	<u>78,288,915</u>
Amounts falling due after more than one year:	
Deferred Taxation	<u>236,155</u>
Aggregate amounts	<u>78,525,070</u>

The deferred tax asset comprises the following:

	2015 £
Timing differences	<u>236,155</u>
Opening balance	-
Change in the year	<u>236,155</u>
Closing balance	<u>236,155</u>

RTL Midco Limited

Notes to the Financial Statements - continued
for the Period 27 November 2014 to 30 November 2015

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	£
Other loans (see note 9)	78,200,000
Accruals and deferred income	<u>7,455,781</u>
	<u>85,655,781</u>

9. LOANS

An analysis of the maturity of loans is given below:

	£
Amounts falling due in more than five years:	
Shareholder loan notes	<u>78,200,000</u>
	<u>78,200,000</u>

The unsecured loan notes are due to be repaid in full on 18 December 2024 and have interest of 10%.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
725,000	Ordinary	1p	<u>7,250</u>

725,000 Ordinary shares of 1p each were allotted as fully paid at a premium of 99p per share during the period.

11. RESERVES

	Profit and loss account £	Share premium £	Totals £
Deficit for the period	(7,130,711)	-	(7,130,711)
Cash share issue	<u>-</u>	<u>717,750</u>	<u>717,750</u>
At 30 November 2015	<u>(7,130,711)</u>	<u>717,750</u>	<u>(6,412,961)</u>

12. ULTIMATE PARENT COMPANY

RTL Topco Limited is regarded by the directors as being the company's ultimate parent company.

Consolidated accounts can be obtained from Companies House Cardiff.

RTL Midco Limited

**Notes to the Financial Statements - continued
for the Period 27 November 2014 to 30 November 2015**

13. RELATED PARTY DISCLOSURES

Phoenix Equity Partners 2010 LP

Controlling shareholder of RTL Topco Ltd the ultimate parent company

Interest payable on the loan notes in the period totalled £4,337,746. Interest is payable at the rate of 10% per annum. The loan notes outstanding at the year end totalled £45,496,471.

Amount due to related party at the balance sheet date	£ <u>49,834,217</u>
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D Clemson

Director

Interest payable on the loan notes in the year totalled £227,823. Interest is payable at the rate of 10% per annum. The loan notes outstanding at the year end totalled £2,389,521.

Amount due to related party at the balance sheet date	£ <u>2,617,344</u>
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Phoenix Equity Partners 2010 GP LP

Controlling shareholder of RTL Topco Ltd the ultimate parent company

Interest payable on the loan notes in the year totalled £88,757. Interest is payable at the rate of 10% per annum. The loan notes outstanding at the year end totalled £930,927.

Amount due to related party at the balance sheet date	£ <u>1,019,684</u>
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14. ULTIMATE CONTROLLING PARTY

At 18 December 2014, the ultimate controlling party became Phoenix Equity Partners 2010 LP and Phoenix Equity Partners 2010 GP LP by virtue of their voting rights within RTL Topco Limited, the ultimate parent company

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

Loss for the financial period	£ (7,130,711)
New share capital subscribed	<u>725,000</u>
Net reduction of shareholder's funds	(6,405,711)
Opening shareholder's funds	<u>-</u>
Closing shareholder's funds	<u>(6,405,711)</u>
 Equity interests	 <u>(6,405,711)</u>