

Company registration number 04202782 (England and Wales)

# **Appco Group Lotteries Limited**

Financial Statements

For The Year Ended 31 December 2022

Pages For Filing With Registrar

# Appco Group Lotteries Limited

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## Appco Group Lotteries Limited

### Balance Sheet

As At 31 December 2022

		2022		2021	
	Notes	£	£	£	£
<b>Current assets</b>					
Debtors	4	132,806		59,094	
Cash at bank and in hand		503,035		85,473	
		<u>635,841</u>		<u>144,567</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(786,434)</u>		<u>(296,529)</u>	
<b>Net current liabilities</b>			(150,593)		(151,962)
<b>Provisions for liabilities</b>			54,929		54,929
<b>Net liabilities</b>			<u>(95,664)</u>		<u>(97,033)</u>
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			<u>(95,764)</u>		<u>(97,133)</u>
<b>Total equity</b>			<u>(95,664)</u>		<u>(97,033)</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 21 September 2023

Mr M J Hogg  
Director

Company Registration No. 04202782

# Appco Group Lotteries Limited

## Notes To The Financial Statements

For The Year Ended 31 December 2022

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### 1 Accounting policies

#### Company information

Appco Group Lotteries Limited is a private company limited by shares incorporated in England and Wales. The registered office is Studio 320 Highgate Studios, 53-79 Highgate Road, London, NW5 1TL.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2022 are the first financial statements of Appco Group Lotteries Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2021. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 9.

#### 1.2 Turnover

Turnover is measured based on the fair value of consideration specified in a contract with a customer, net of trade discounts and VAT, and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# Appco Group Lotteries Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

### 1 Accounting policies

(Continued)

#### 1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# Appco Group Lotteries Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	1	1

## Appco Group Lotteries Limited

### Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

#### 4 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	93,581	26,683
Amounts owed by group undertakings	31,182	31,182
Other debtors	8,043	1,229
	<u>132,806</u>	<u>59,094</u>

#### 5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	48,090	26,732
Amounts owed to group undertakings	218,191	187,991
Taxation and social security	21,521	5,079
Other creditors	498,632	76,727
	<u>786,434</u>	<u>296,529</u>

#### 6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor: Mr Athos Louca FCCA, ICPAC  
Statutory Auditor: Loucas

#### 7 Related party transactions

##### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchases 2022	Purchases 2021
	£	£
Entities with control, joint control or significant influence over the company	569,963	-
Other related parties	14,747	-
	<u>584,710</u>	<u>-</u>
	2022	2021
	£	£
<b>Amounts due to related parties</b>		
Other related parties	6,905	-
	<u>6,905</u>	<u>-</u>

## **Appco Group Lotteries Limited**

### **Notes To The Financial Statements (Continued)**

**For The Year Ended 31 December 2022**

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#### **8 Parent company**

The immediate parent company of the group is Appco UK Ltd, which is the smallest company into which this company is consolidated. Copies of the consolidated accounts are available from the registered office.

The parent company for Appco UK Ltd is CSA Holdings Ltd, incorporated in Hong Kong, which is the largest company into which this company is consolidated.

The ultimate controlling party is the Nelson Settlement, a discretionary Trust established in Jersey in 1992.



# Appco Group Lotteries Limited

## Notes To The Financial Statements (Continued)

For The Year Ended 31 December 2022

### 9 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

	Notes	At 1 January 2021			At 31 December 2021		
		Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
<b>Current assets</b>							
Debtors		164,293	-	164,293	59,094	-	59,094
Bank and cash		13,162	-	13,162	85,473	-	85,473
		<u>177,455</u>	<u>-</u>	<u>177,455</u>	<u>144,567</u>	<u>-</u>	<u>144,567</u>
<b>Creditors due within one year</b>							
Taxation		-	-	-	(5,079)	-	(5,079)
Other creditors		(312,668)	-	(312,668)	(291,450)	-	(291,450)
		<u>(312,668)</u>	<u>-</u>	<u>(312,668)</u>	<u>(296,529)</u>	<u>-</u>	<u>(296,529)</u>
Net current liabilities		<u>(135,213)</u>	<u>-</u>	<u>(135,213)</u>	<u>(151,962)</u>	<u>-</u>	<u>(151,962)</u>
Total assets less current liabilities		<u>(135,213)</u>	<u>-</u>	<u>(135,213)</u>	<u>(151,962)</u>	<u>-</u>	<u>(151,962)</u>
<b>Provisions for liabilities</b>							
Deferred tax		-	-	-	54,929	-	54,929
Net assets		<u>(135,213)</u>	<u>-</u>	<u>(135,213)</u>	<u>(97,033)</u>	<u>-</u>	<u>(97,033)</u>
<b>Capital and reserves</b>							
Share capital		100	-	100	100	-	100
Profit and loss		(135,313)	-	(135,313)	(97,133)	-	(97,133)
Total equity		<u>(135,213)</u>	<u>-</u>	<u>(135,213)</u>	<u>(97,033)</u>	<u>-</u>	<u>(97,033)</u>

#### Notes to reconciliations on adoption of FRS 102

##### Preparation of accounts

In preparing these financial statements in accordance with FRS 102, the Financial Statements transitioned to FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" on 1 January 2021. There is no impact on recognition, measurement or disclosure in the period reported as a result of this change.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.