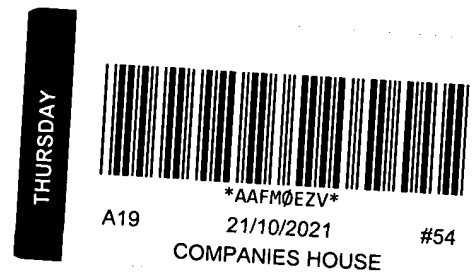


Financial Statements
Appco Group Lotteries Limited
For the year ended 31 December 2020



Registered number: 04202782

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

CONTENTS

	Page
Director's Report	1-2
Independent auditor's report	3-5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9-16

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

COMPANY INFORMATION

Directors CJ Niarchos (resigned 14 February 2021)
MJ Hogg (appointed 14 February 2021)

Registered number 04202782

Registered office Studio 320b
Highgate Studios
53-79 Highgate Road
London
NW5 1TL

Independent auditor Elderton Audit (UK)
Statutory Auditor, Chartered Accountants
Level 2 St Georges Terrace
Perth WA 6000
Australia

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his report and the financial statements for the year ended 31 December 2020.

Principal activities

The company is registered with the Gambling Commission as an external lottery manager allowing it to provide lottery services to charity clients. The company's principal activities are those to provide external lottery management services to its client in respect of the sale of the clients lottery entries by means of face-to-face sales services.

Results and dividends

The loss for the year, after taxation, amounted to (£202,966) (2019: £299,287)

Director

The directors who served during the year were:

CJ Niarchos (resigned 14 February 2021)

MJ Hogg (appointed 14 February 2021)

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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' 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 director is 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.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

DIRECTOR REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Disclosure of information to auditor

The director confirms that:

- so far as he 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 ought to have taken as a director in order to make himself aware if any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Elderton Audit (UK), will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 September 2021 and signed on its behalf

DocuSigned by:

ECC1C458369B499...

MJ Hogg
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPCO GROUP LOTTERIES LTD

Opinion

We have audited the financial statements of Appco Group Lotteries Limited for the year ended 31 December 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. 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'.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year 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.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, 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.

Emphasis of matter - financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 2.3 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other 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.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPCO GROUP LOTTERIES LTD

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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. Or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, 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 director is 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 director 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 Auditors' 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APPCO GROUP LOTTERIES LTD

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 Auditors' 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.



NICHOLAS HOLLENS

Senior Statutory Auditor for and on behalf of Elderton Audit (UK)
Level 2, 267 St Georges Terrace,
Perth WA 6000
30 September 2021

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover		576,905	1,073,021
Cost of sales		<u>(432,950)</u>	<u>(760,251)</u>
Gross profit		143,955	312,770
Administrative expenses		<u>(346,921)</u>	<u>(13,483)</u>
Operating profit / (loss)	4	<u>(202,966)</u>	<u>299,287</u>
Profit / (Loss) for the financial year		<u>(202,966)</u>	<u>299,287</u>
Total comprehensive income for the year		<u>(202,966)</u>	<u>299,287</u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the income statement.

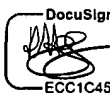
The notes on pages 9 to 16 form part of these financial statements.

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Current assets			
Debtors: amounts falling due within one year	8	164,293	257,553
Cash at bank and in hand	9	13,162	44,976
		<u>177,455</u>	<u>302,529</u>
Creditors: amounts falling due within one year	10	(312,668)	(234,775)
Net current (liabilities) / assets		<u>(135,213)</u>	<u>67,754</u>
Total assets less current liabilities		<u>(135,213)</u>	<u>67,754</u>
Net (liabilities) / assets		<u>(135,213)</u>	<u>67,754</u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account	12	(135,313)	67,754
		<u>(135,213)</u>	<u>67,854</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2021.

DocuSigned by:

 ECC1C458369B499...

MJ Hogg
 Director

The notes on pages 9 to 16 form part of these financial statements.

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	100	67,654	67,754
Comprehensive income for the year			
Loss for the year		(202,966)	(202,966)
At 31 December 2020	<u>100</u>	<u>(135,313)</u>	<u>(135,213)</u>

Statement of changes in equity
For the year ended 31 December 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	100	(231,634)	(231,534)
Comprehensive income for the year			
Profit for the year		299,287	299,287
At 31 December 2019	<u>100</u>	<u>67,654</u>	<u>67,754</u>

The notes on pages 9 to 16 form part of these financial statements.

Notes to the Financial Statements
For the year ended 31 December 2020

1. General Information

Appco Group Lotteries Limited is a limited liability company incorporated and domiciled in England and Wales. Its registered office is located at Studio 320b, Highgate Studios, 53-79 Highgate Road, London, NW5 1TL

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- Preparation of a cash flow statement
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of the group as they are wholly owned within the group.
- Presentation of comparative reconciliation's for property, plant and equipment
- Disclosure of key management personnel compensation
- Capital management disclosures
- Disclosures in respect of standards in issue not yet effective

The following disclosure exemption has also been adopted as equivalent disclosures are provided in the parent consolidated financial statements:

- Reduced financial instruments disclosures relating to IFRS 7 as equivalent disclosures are provided by the parent entity.

2.3 Going concern

There is no expectation that the company will trade in future. The director has prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

2.4 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Revenue is recognised for field marketing services on completion of the services at the value expected to be received for the service. The Fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Notes to the Financial Statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant of machinery – 33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of comprehensive income.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements
For the year ended 31 December 2020

2. Accounting policies (continued)

2.8 Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below.

Financial assets

The company classes all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognized within administrative expenses in the Income statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

2.9 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements
For the year ended 31 December 2020

2 Accounting policies (continued)

2.10 Foreign currency translation

Functional and Presentation currency

The company's functional and presentational currency is GBP

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.11 Taxation

Tax is recognized in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported for turnover and expenses during the year.

However, the nature of estimation means that actual outcomes could differ from those estimates. The following estimates are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the Statement of financial position date:

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020	2019
	£	£
Exchange differences	-	-

5. Auditors' remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2020	2019
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	3,800	3,800
Tax compliance services	1,000	1,000

6. Employees

	2020	2019
	£	£
Social security costs	-	-

The average monthly number of employees, including the directors, during the year was 1 (2019: 1)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Taxation

Current assets

Total current tax		
Deferred tax	-	-
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	<u>(202,966)</u>	<u>299,287</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019:19%)	(38,564)	56,865
Effects of:		
Expenses not deductible for tax purposes		
Group relief (claimed)/surrendered		(56,865)
Differed Tax not recognised	38,654	-
Total tax charge for the year	<u>-</u>	<u>-</u>

APPCO GROUP LOTTERIES LTD
REGISTERED NUMBER: 04202782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Debtors

	2020	2019
	£	£
Trade debtors	72,767	158,236
Amounts owed by group undertakings	31,182	64,190
Prepayments and accrued income	60,344	35,127
	<u>164,293</u>	<u>257,553</u>

All amounts are short-term. The net carrying value of trade receivables is considered reasonable
Approximation of fair value.

9. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>13,162</u>	<u>44,976</u>

10. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings	173,484	89,792
Taxation and social security	-	12,078
Accruals and deferred income	114,456	109,990
Trade Creditors	24,728	22,915
Others		
	<u>312,668</u>	<u>234,775</u>

11. Share Capital

	2020	2019
	£	£
Allotted, called up and fully paid		
100 Ordinary Shares of 1£ each	<u>100</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Reserves

Share Capital

Represents the nominal value of shares that have been issued.

Profit and loss account.

Includes all historical profits and losses.

13. Ultimate parent undertaking and controlling party

The immediate parent company of the group is CSA Holdings Ltd incorporated in Hong Kong, which both the smallest and largest company into which this company is consolidated.

The ultimate controlling party of CSA Holdings Ltd is the Nelson Settlements, a discretionary trust established in Jersey in 1992.