

**Company Registration No. 02690212**

**Golden Nugget Club Limited**

**Report and Financial Statements**

**Year ended 31 December 2020**

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# **Golden Nugget Club Limited**

## **Report and financial statements 2020**

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# **Golden Nugget Club Limited**

## **Report and financial statements 2020**

### **Officers and professional advisers**

#### **Directors**

A G Oswald

#### **Secretary**

K Kaushal

#### **Registered Office**

55 Baker Street  
London  
W1U 8EW

#### **Auditor**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

# Golden Nugget Club Limited

## Strategic report

The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

### Principal activity and future prospects

Golden Nugget Club Limited ('the Company') ceased trading on 8 August 2019 and, as a result, the financial statements have been prepared on a basis other than that of going concern. Prior to the cessation of trading, the principal activity of the Company was the operation of a casino.

### Business review

The results for the year ended 31 December 2020 are shown in the profit and loss account on page 9. The retained loss transferred from reserves was £231,000 (2019: loss £8,718,000). This result includes the items explained below, which are classified as exceptional. The balance sheet shows net liabilities of £33,181,000 (2019: £32,950,000) of which £34,767,000 (2019: £34,736,000) is payable to group undertakings.

During the year under review the Company has assessed the amounts that it is due to receive from Group undertakings and has decided to charge £nil (2019: £4,547,000) to the profit and loss account as a provision against the recoverability of the receivable balance.

On 11 March 2020 Covid-19 was declared a pandemic by the World Health Organisation. For a significant part of the year, there was a mandatory closure of the Group's operations during periods of lockdown and, at other times, a reduction in permitted trading hours.

During the year, the Group implemented a working-from-home policy for its employees with the objective of ensuring the viability of the business following its recovery from the pandemic. The immediate area of focus during this time was the preservation of cash. There was regular engagement with landlords and other suppliers, HMRC and the ultimate parent undertaking, Caesars Entertainment, Inc. Government support initiatives were utilised through the Coronavirus Job Retention Scheme (CJRS), UK business rates holiday and agreed tax deferrals. In its long-term commercial interest, the Group effected a reorganization plan which included a significant reduction in headcount. As part of this process, impacted employees were consulted through the Group's redundancy process.

In March 2020 the UK Gambling Commission concluded a licence review carried out under Section 116 of the Gambling Act 2005. As a resolution to their investigation, the Commission agreed to accept a regulatory settlement of £13m in lieu of a financial penalty and a payment of £90,000 towards their costs of investigating the case. These commitments are included within the balance sheet of London Clubs Management Limited, the Company's immediate holding company. Conditions were also added to the licences held by the licenced entities of the Group.

On 20 July 2020 Caesars Entertainment, Inc., formerly known as Eldorado Resorts, Inc., completed the acquisition of Caesars Entertainment Corporation, which was previously the ultimate parent undertaking and controlling party of the Company.

On 27 November 2020 the UK Supreme Court reported that it had dismissed an appeal by HMRC to include the value of non-negotiable gaming chips and free-bet vouchers within the gaming revenue on which gaming duty is payable. As a consequence of this decision the Group was refunded a total of £8 million in gaming duty overpaid from 2008-16. The Company's share of this refund was £nil (2019: £124,000) and has been included in the profit and loss account as an exceptional item.

### Key performance indicators

At 31 December 2020, the results of the Company were consolidated in the financial statements of its ultimate parent undertaking, Caesars Entertainment, Inc. ("CEI"). The directors of CEI manage the group's operations on a divisional basis and, for this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of its development, performance or the position of its business. The development, performance and position of the activities of CEI are discussed in that company's 2020 report and financial statements.

# Golden Nugget Club Limited

## Strategic report

### Principal risks and uncertainties

The main financial risk to which the Company is exposed is liquidity risk. To mitigate the effects of this risk, the Company's banking arrangements are managed on a group-wide basis.

### Subsequent events

In January 2021 a further national lockdown was announced by the UK governments. Restrictions were gradually lifted over the following months and most of the UK Group's operations re-commenced trading on 17 May 2021.

On 16 July 2021 the entire share capital of London Clubs International Limited (formerly Caesars Entertainment UK Limited), the Company's ultimate UK parent undertaking and controlling party, was acquired by Metropolitan Gaming Limited.

Approved by the Board of Directors  
and signed on behalf of the Board



A G Oswald  
Director

23 December 2021

# Golden Nugget Club Limited

## Directors' report

The directors present their report and the audited financial statements of Golden Nugget Club Limited for the year ended 31 December 2020.

### Directors and their interests

The directors who have served since 31 December 2019 are as follows:

T M Jenkin (resigned 15 July 2020)  
A G Oswald

The interests of the directors are set out in note 5 to the financial statements.

The view of the directors on the future prospects of the Company are set out in the Strategic Report.

### Dividends

The directors have decided not to pay a dividend in the year ended 31 December 2020 (2019: £nil).

### Directors' indemnities

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

### 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 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 to 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.

# **Golden Nugget Club Limited**

## **Directors' report (continued)**

### **Going concern**

The Company ceased trading on 8 August 2019. As a result of the cessation of trade, the financial statements have been prepared on a basis other than that of going concern.

### **Auditor**

Each of the persons who is a director at the date of approval of this 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.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

### **Approval of reduced disclosures**

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS102 paragraph 1.12. The Company's shareholder has been notified in writing of this intention and no objections have been received.

Approved by the Board of Directors  
and signed on behalf of the Board



K Kaushal  
Secretary  
23 December 2021

# **Independent auditor's report to the members of Golden Nugget Club Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Golden Nugget Club Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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, 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 other than on the going concern basis**

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.



## **Independent auditor's report to the members of Golden Nugget Club Limited (continued)**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### **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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report to the members of Golden Nugget Club Limited (continued)**

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the Gambling Act 2005.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing any correspondence with the Gambling Commission.

### **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.

## **Independent auditor's report to the members of Golden Nugget Club Limited (continued)**

### **Matters on which we are required to report by exception**

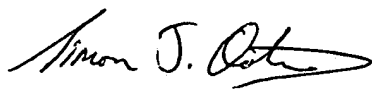
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

### **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.



Simon Oaten FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom

23 December 2021

## Golden Nugget Club Limited

### Profit and loss account

#### Year ended 31 December 2020

		Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
	Notes		
Turnover		-	(3,942)
Operating costs		(231)	(353)
Exceptional items			
- provision against amounts receivable from Group undertakings	3	-	(4,547)
- gaming duty refunded	3	-	124
		<u>(231)</u>	<u>(4,776)</u>
Operating loss and loss on ordinary activities before and after taxation	3	<u>(231)</u>	<u>(8,718)</u>

All the above items relate to discontinued activities.

A statement of comprehensive income has not been presented as there is no comprehensive income other than the loss for the current year and prior year.

The notes on pages 13 to 18 form part of these financial statements.

# Golden Nugget Club Limited

## Balance sheet

31 December 2020

	Notes	31 December 2020 £'000	31 December 2019 £'000
<b>Fixed assets</b>			
Intangible assets	7	946	1,262
<b>Current assets</b>			
Debtors	8	799	966
<b>Creditors: amounts falling due within one year</b>	9	(34,926)	(35,178)
<b>Net current liabilities</b>		(34,127)	(34,212)
<b>Net liabilities</b>		(33,181)	(32,950)
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		(33,181)	(32,950)
<b>Shareholders' deficit</b>		(33,181)	(32,950)

The financial statements of Golden Nugget Club Limited (registered number 02690212) were approved by the Board of Directors on 23 December 2021.

Signed on behalf of the Board of Directors



A G Oswald  
Director

## Golden Nugget Club Limited

### Statement of changes in equity 31 December 2020

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 31 December 2018	-	(24,232)	(24,232)
Total comprehensive loss for the year	-	(8,718)	(8,718)
At 31 December 2019	-	(32,950)	(32,950)
Total comprehensive loss for the year	-	(231)	(231)
At 31 December 2020	-	(33,181)	(33,181)

# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### General information and basis of accounting

The Company is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The particular accounting policies adopted are described below.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. At 31 December 2020, the ultimate parent undertaking and controlling party of the Company was Caesars Entertainment, Inc. ("CEI"). The results of the Company for 2020 are consolidated in the financial statements of CEI, whose registered office is 1 Caesars Palace Drive, Las Vegas, NV 89109, USA, and whose financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. Exemptions have been taken in these separate Company financial statements in relation to related party transactions, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### Going concern

The balance sheet shows net liabilities of £33,181,000 (2019: £32,950,000) of which £34,767,000 (2019: £34,736,000) is payable to group undertakings.

The Company ceased trading on 8 August 2019. As a result, the financial statements have been prepared on a basis other than that of going concern.

#### Turnover

Turnover is recognised as services are performed and comprises revenue from gaming income, being net winnings from customers, less the fair value of incentives such as free bets, promotions and customer discounts.

#### Intangible fixed assets

The casino licence has been classified as an intangible fixed asset and its value is amortised on a straight-line basis over a 10-year period. The directors review the value of the licence for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

#### Tangible fixed assets

Fixed assets are stated at cost, net of depreciation and any provision for impairment.

The directors review the carrying value of the short leasehold property each year, and if, in their opinion, there is any impairment in value, it is charged to the profit and loss account. In their opinion, on the basis of this review, the recoverable amount of the property is at least equal to its book value.

The lease has an unexpired term of less than twenty-five years and the value of the leasehold, together with any related improvements, is depreciated over the remaining term of the lease. Other assets are depreciated over their estimated useful lives on the following bases:

Fixtures and fittings	10% to 33% straight
Assets in the course of construction are not depreciated.	

# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 1. Accounting policies (continued)

#### Taxation

Current 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 when transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in 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. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Pension costs

The London Clubs International (formerly Caesars Entertainment UK) group ("the Group"), of which the Company is a member, operates a defined benefit pension scheme ('the Scheme') covering a number of the employees in the Group. The Scheme is funded by payments to trustee administered funds completely independent of the Group's finances. Contributions to the Scheme are assessed by an independent qualified actuary on the cost of providing pensions across all participating Group companies. Details of the Scheme are shown in the financial statements of London Clubs Management Limited, which is the sponsoring company.

For defined contribution schemes, the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year.

#### Financial instruments

The directors consider that the Company's key financial instruments are cash and intercompany loans. Financial exposures exist to the extent that a change in the underlying rate of interest will affect the level of income received or paid on cash or overdraft balances and the intercompany loans. The risk is not considered material and the Company does not employ the use of hedging instruments.

### 2. Critical accounting judgements

In the application of the Company's accounting policies, which are described in note 1, 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 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.

#### Key source of estimation uncertainty – impairment of fixed assets

Determining whether fixed assets are impaired requires an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the fixed asset, and a suitable discount rate, in order to calculate present value.



# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 3. Operating loss

Operating loss is stated after charging:

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Amortisation of intangible fixed assets	316	316
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	14	14

During the year under review the Company has assessed the amounts that it is due to receive from Group undertakings and has decided to charge £nil (2019: £4,547,000) to the profit and loss account as a provision against the receivable balance.

On 27 November 2020 the UK Supreme Court reported that it had dismissed an appeal by HMRC to include the value of non-negotiable gaming chips and free-bet vouchers within the gaming revenue on which gaming duty is payable. As a consequence of this decision the Group was refunded a total of £8 million in gaming duty overpaid from 2008-16. The Company's share of this refund was £124,000, which is reported in the profit and loss account for the year ended 31 December 2019 as an exceptional item

The Company had no employees during the financial year (2019: none).

### 4. Directors' emoluments

None of the Company's directors received emoluments in respect of services to the Company (2019: £nil), their emoluments being paid by other group companies. None of the directors (2019: none) accrued retirement benefits under a defined benefit scheme.

### 5. Directors' interests

At 31 December 2020, none of the directors held any interests in the share capital of the Company (2019: nil).

### 6. Tax charge on loss on ordinary activities

#### a) Analysis of tax charge in the year

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Current and deferred taxation	-	-

# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 6. Tax charge on loss on ordinary activities (continued)

#### b) Factors affecting tax charge

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Loss on ordinary activities before tax	(231)	(8,718)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(44)	(1,656)
<i>Tax effects of:</i>		
Expenses not deducted for tax purposes	60	924
Losses on which no deferred tax is recognised	-	-
Utilisation of tax losses	(16)	732
Total tax on loss on ordinary activities	-	-

#### c) Factors that may affect future tax charges

The future tax charges of the Company are likely to be affected by timing differences in respect of capital allowances, the availability of brought forward tax losses and the application of group relief. At the balance sheet date the headline rate of corporation tax was 19%; this rate has been reflected in the financial statements. Subsequently, legislation was substantively enacted on 3 March 2021 to increase the UK corporation tax rate to 25% from 1st April 2023.

### 7. Fixed assets

#### (a) Intangible assets

	Casino licence £'000
<b>Cost</b>	
At 31 December 2019 and 31 December 2020	3,158
<b>Amortisation</b>	
At 31 December 2019	1,896
Charge for the year	316
At 31 December 2020	2,212
<b>Net book value</b>	
At 31 December 2020	946
At 31 December 2019	1,262

Amortisation of intangible fixed assets is included within "operating costs" in the profit and loss account.

# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 8. Debtors

	31 December 2020 £'000	31 December 2019 £'000
Amounts due from group undertakings	786	786
Prepayments and accrued income	13	180
	<u>799</u>	<u>966</u>

All debtors are receivable within 1 year.

“Amounts due from group undertakings” are receivable on demand and are not interest bearing.

A deferred tax asset amounting to £711,000 (2019: £687,000), arising from carried forward tax losses, accelerated capital allowances and other timing differences, has not been recognised. On the basis of the available evidence, the directors do not believe 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.

### 9. Creditors: amounts falling due within one year

	31 December 2020 £'000	31 December 2019 £'000
Amounts owed to group undertakings	34,767	34,736
Accruals and deferred income	97	100
Other creditors	62	342
	<u>34,926</u>	<u>35,178</u>

“Amounts owed to group undertakings” are repayable on demand and are not interest bearing.

### 10. Share capital

	31 December 2020 £	31 December 2019 £
<b>Allotted, called up and fully paid</b>		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 11. Security and guarantees

As part of the Group’s banking arrangements, the Company has provided cross guarantees to other group companies.

# Golden Nugget Club Limited

## Notes to the financial statements Year ended 31 December 2020

### 12. Pensions

The Company participates in the London Clubs Pension Scheme ("the Scheme"), which is closed to future accrual. This is a defined benefit scheme, the assets and liabilities of which are held independently from the Group.

The valuation of the Scheme as at 31 December 2020 shows a deficit of £14.6 million (2019: £22.9 million) and the agreed contribution for the next 12 months, in relation to the deficit, is £5.5 million in aggregate for all group companies (2019: £5.5 million). There is no contractual agreement or stated policy for charging the net defined benefit cost of the Scheme. Therefore, the deficit is included within the financial statements of the sponsoring company, London Clubs Management Limited, whose financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

### 13. Contingent asset

On 30 June 2021, the First-Tier Tribunal allowed the appeal of The Rank Group Plc on its claim to be refunded VAT paid on takings from gaming machines during the period 2005 to 2013. Following the decision of HMRC not to appeal, businesses across the industry are due to be refunded their overpaid VAT.

The Group has submitted its own claims to HMRC, including amounts claimed on behalf of the Company. These claims are still subject to review by HMRC.

### 14. Ultimate parent undertaking and controlling party

At 31 December 2020, Caesars Entertainment, Inc. was the Company's ultimate parent undertaking and controlling party. Additionally, it was the parent undertaking of the largest and smallest groups in which the results of the Company are consolidated.

Caesars Entertainment, Inc. is incorporated in the U.S.A. and copies of its consolidated financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

At 31 December 2020 the Company's immediate holding company was London Clubs Management Limited.

### 15. Subsequent events

In January 2021 a further national lockdown was announced by the UK governments. Restrictions were gradually lifted over the following months and most of the UK Group's operations re-commenced trading on 17 May 2021.

On 16 July 2021 the entire share capital of London Clubs International Limited (formerly Caesars Entertainment UK Limited), the Company's ultimate UK parent undertaking and controlling party, was acquired by Metropolitan Gaming Limited.