

Camelot Global Services Limited

Company financial statements for the year ended 31 March 2014



Company Number: 02822300

Camelot Global Services Limited

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Strategic Report

The directors of Camelot Global Services Limited (the 'Company') present their report together with the audited financial statements for the year ended 31 March 2014. The Group companies are comprised of Premier Lotteries Investment UK Limited ('PLIUK'), Premier Lotteries Capital UK Limited ('PLCUK'), Premier Lotteries UK Limited ('PLUK'), Camelot Global Services Limited ('CGSL'), Camelot Strategic Solutions Limited ('CSSL'), Camelot Commercial Services Limited ('CCSL') and Camelot Business Solutions Limited ('CBSL'). The Company has the following subsidiaries, Camelot Global Services (North America) ('CGSNA'), CISL SA (Proprietary) Limited ('CISL SA'), and Wholesale Commercial Collections Limited ('WCCL'). The Company's immediate parent PLUK and the other Group Companies are subsidiaries of Ontario Teachers' Pension Plan (Teachers'). The Company also transacted in the year with Premier Lotteries Ireland Limited ("PLIL"), which is a subsidiary of Teachers' but is not part of the Group.

Principal activities

Camelot Global Services Limited (the 'Company') is principally focused on targeting international opportunities within the lottery industry such as bids to operate or the provision of consultancy services. The Company expects to continue these activities for the foreseeable future.

Business Review

The Company's principal focus was to secure overseas lottery management contracts. During the year the Company secured a management contract to provide interactive lottery services to PLIL, a related party that won a twenty year licence to operate the Irish Lottery.

The principal risks are the uncertainty as to success in securing overseas lottery contracts and the timing of bid processes and decision points. The directors review opportunities, prioritise and adjust resource levels to meet fluctuations in workload.

Results and dividends

The loss after taxation for the year amounted to £3,106,000 (2013: £4,943,000). No final dividend has been proposed for the year ended 31 March 2014 (2013: nil).

Future developments

The Company will continue to seek international opportunities within the lottery industry and a number of prospects are being actively pursued.

Key performance indicators

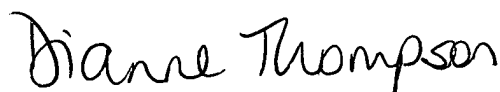
Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development or performance of the business during the year just ended.

The Company's performance is reviewed by the Group operating board, of which one member is employed by the Company. The Company's results are monitored through monthly management accounts and daily cash flow management practices.

Principal risks and uncertainties

The principal risks are the uncertainties as to success in securing overseas lottery contracts and the timing of bid processes and decision points. The directors review opportunities, prioritise and adjust resource levels to meet fluctuations in workload.

The Strategic Report was approved by the Board of Directors on 19 June 2014 and was signed on its behalf by:



Dianne Thompson CBE
Director

Camelot Global Services Limited
Company Number 02822300

Directors' Report

The directors present their report together with the audited financial statements for the year ended 31 March 2014 for the Company.

Share capital

The authorised share capital is 96,663,000 (2013: 96,663,000) shares of £1 each, of which 1,663,010 (2013: 1,663,010) shares are allotted, issued and fully paid.

Shareholdings

The following share structure was in place at the beginning and end of the year under review:

	Number of Ordinary shares	Number of 'B' preference shares	Total % holding of shares
Premier Lotteries UK Limited	1,663,000	3	99.9996%
Fourmoront Corporation	-	7	0.0004%

Further details of the rights and obligations of each class of share are given in note 17 to the financial statements.

Directors and their interests

The names of the directors who were in office during the year and up to the date of signing the Financial statements were:

Chairman

Lee Sienna

Executive director

Dianne Thompson CBE

Non-executive directors

Sir Gerald Acher CBE LVO

Sir Patrick Brown KCB

Tony Illsley

Wayne Kozun

Alternate Directors

Ilya Kachko* (alternate to Lee Sienna and Wayne Kozun)

* appointed 5 December 2013

Company Secretary

John Dillon served as Company Secretary during the year.

Insurance for directors and officers

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Directors' Report (continued)

Going concern

Management has prepared detailed budgets and cash flow forecasts which support the appropriateness of the going concern assumption.

The wider economic climate impacts the credit and financial liquidity risk on the Group. However, management continually assess the controls in place to minimise the Company's exposure to this risk.

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the financial support provided by its parent undertaking, PLUK.

The directors have received confirmation that PLUK will support the Company for at least one year after these financial statements are signed.

Financial risk management

The Company is exposed to certain levels of credit, interest rate, currency, liquidity and capital risks that arise in the normal course of business. Details of these risks are disclosed in note 13.

Related party transactions

During the current financial year, the Company has had transactions of significance with its fellow UK group subsidiaries. Details of related party transactions are given in note 21 to the financial statements.

Suppliers

The Company's policy is to pay suppliers 30 days after the end of the month in which their invoice is received or within such other credit period as agreed between the parties, providing the obligations of those suppliers are met. These terms are stated on all purchase orders issued by the Company.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

Directors' Report (continued)

Future developments

It was announced on 29 April 2014 that the Group's Chief Executive Officer, Dianne Thompson, is due to retire on 31 October 2014. The role of Chief Executive Officer for the UK business will be filled by Andy Duncan, who is currently the Managing Director of Camelot UK Lotteries Limited.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office.

By order of the Board

A handwritten signature in black ink that reads "Dianne Thompson". The signature is written in a cursive, flowing style.

Dianne Thompson CBE
Director
Camelot Global Services Limited
19 June 2014

Camelot Global Services Limited

Independent auditors' report to the members of Camelot Global Services Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the Company's affairs as at 31 March 2014 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Camelot Global Services Limited, comprise:

- the Statement of Comprehensive Income for the year then ended;
- the Balance Sheet as at 31 March 2014;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Camelot Global Services Limited

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Nicolas Campbell-Lambert (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 June 2014

Statement of Comprehensive Income

for the year ended 31 March

	Notes	2014 £000	2013 £000
Revenue	3	1,107	1,583
Cost of sales		(517)	(981)
Gross profit		590	602
Administrative expenses	4	(4,736)	(7,346)
Operating loss	4	(4,146)	(6,744)
Loss before interest and taxation		(4,146)	(6,744)
Finance income	6	4	1
Finance costs	6	(4)	-
Loss before income tax		(4,146)	(6,743)
Income tax	7	1,040	1,800
Loss for the financial year and total comprehensive loss attributable to equity shareholder		(3,106)	(4,943)

The Company has no recognised income or expense other than that shown above and therefore no other comprehensive income is presented.

The notes on pages 13 to 25 are an integral part of these financial statements.

Balance Sheet

as at 31 March

	Notes	2014 £000	2013 £000
ASSETS			
Non-current assets			
Deferred taxation	7	1	11
		1	11
Current assets			
Trade and other receivables	10	2,560	2,291
Deferred taxation	7	15	-
Cash and cash equivalents	11	143	26
		2,718	2,317
Total assets		2,719	2,328
LIABILITIES			
Current liabilities			
Financial liabilities – borrowings	14	-	70
Trade and other payables	15	14,555	10,755
Provisions for liabilities and other charges	16	-	235
		14,555	11,060
Non-current liabilities			
Provisions for liabilities and other charges	16	6	4
		6	4
Total liabilities		14,561	11,064
EQUITY			
Capital and reserves			
Share capital	17	1,663	1,663
Retained earnings	18	(13,505)	(10,399)
Total equity		(11,842)	(8,736)
Total equity and liabilities		2,719	2,328

The notes on pages 13 to 25 are an integral part of these financial statements.

The financial statements including the accompanying notes were approved by the Board of Directors on 19 June 2014 and were signed on its behalf by:



Dianne Thompson CBE
Director

Camelot Global Services Limited
Registered Number: 02822300

Statement of Changes in Equity

	Share capital £000	Retained earnings £000	Total Equity £000
Balance as at 31 March 2012	1,663	(5,456)	(3,793)
Comprehensive loss			
Loss for the financial year	-	(4,943)	(4,943)
Total comprehensive loss	-	(4,943)	(4,943)
Balance as at 31 March 2013	1,663	(10,399)	(8,736)
Comprehensive loss			
Loss for the financial year	-	(3,106)	(3,106)
Total comprehensive loss	-	(3,106)	(3,106)
Balance as at 31 March 2014	1,663	(13,505)	(11,842)

The notes on pages 13 to 25 are an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 March

	Notes	2014 £000	2013 £000
Cash flows from operating activities			
Cash used in operations	19	(1,238)	(420)
Bank interest received		4	-
Interest paid		(4)	-
Group relief received		1,425	787
Net cash generated from operating activities		187	367
Net increase in cash, cash equivalents and bank overdrafts		187	367
Cash, cash equivalents and bank overdrafts at the beginning of the year		(44)	(411)
Cash, cash equivalents and bank overdrafts at the end of the year	11	143	(44)

The notes on pages 13 to 25 are an integral part of these financial statements.

Notes to the Financial Statements

1. General information

The Company is a private limited company incorporated and domiciled in the United Kingdom. The address of its registered office is Camelot Global Services Limited, Magdalen House, Tolpits Lane, Watford, Hertfordshire, WD18 9RN, United Kingdom.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements for the year ended 31 March 2014 are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The Company's accounting policies were selected by management considering all applicable IFRS issued by the International Accounting Standards Board (IASB) by 31 March 2014.

i) New IFRS accounting standards and interpretations adopted in 2013/14:

During the year ended 31 March 2014, the Company adopted the following International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) or amendments, and interpretations by the IFRS Interpretations Committee. None of the pronouncements had a material impact on the Company's consolidated results or assets and liabilities.

- IFRS 13 on fair value measurements
- IAS 19 on employee benefits
- IAS 28 (revised) on investments in associates and joint ventures
- Amendment to IFRS 7 on asset and liability offsetting
- Amendment to IFRS 1 First time adoption on government grants
- Amendment to IAS 12 Income taxes on deferred tax

ii) New IFRS accounting standards and interpretations not yet adopted:

The standards, amendments and interpretations listed below were not effective for the year ended 31 March 2014.

None of the other standards and interpretations listed below are expected to have a material impact on the Company's consolidated results or assets and liabilities.

- Improvements to IFRS 2012
- Improvements to IFRS 2013
- Amendments to IAS 32 on asset and liability offsetting
- Amendment to IAS 36 on recoverable amount disclosures
- IFRS 9 on financial instruments
- IFRS 10 on consolidated financial statements
- IFRS 11 on joint arrangements
- IFRS 12 on disclosure of interests in other entities
- IFRS 14 on regulatory deferral accounts
- Amendments to IFRS 10, 11 and 12 on transition guidance
- IAS 27 (revised) on separate financial statements
- Amendment to IFRS 1 First time adoption on hyperinflation and fixed dates
- Amendment to IAS 19 Employee benefits on defined benefit plans
- Amendments to IFRS 10, 12 and IAS 27 on consolidation for investment entities
- Amendment to IAS 39 Financial instruments: Recognition and measurement on novation of derivatives and hedge accounting
- Amendment to IFRS 9 Financial instruments on general hedge accounting
- IFRIC 21 on Levies

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b) Income tax

The Company is subject to corporation tax in the UK. Judgement and estimates of future profitability are required to determine the deferred tax position of the Company and the Group to which it belongs. If the final tax position is different to that originally assumed, any resulting changes are reflected in the Statement of Comprehensive Income.

c) Basis of consolidation

The Company is a subsidiary of PLUK which is incorporated in the UK, and is included in the consolidated financial statements of PLUK, which are prepared in accordance with IFRS and are publicly available at Magdalen House, Tolpits Lane, Watford, Hertfordshire, WD18 9RN, United Kingdom. Consequently the Company has taken advantage of the exemption from preparing consolidated group financial statements under the terms of the Companies Act 2006 Sec 400 (1) (a) as well as IAS 27.

d) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of recoverable value added tax, returns, rebates and discounts.

Revenue is recognised when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

e) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

f) Intangible assets

All intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses.

Separately acquired intangibles

Intangible assets purchased separately, such as software licences that do not form an integral part of related hardware, are capitalised as intangible assets at cost and amortised over their useful economic life. Costs associated with maintaining software are charged to the profit or loss as incurred.

Amortisation is provided on all intangible assets at such rates as to write off the cost of these assets in equal instalments, over their expected useful lives. Amortisation is included in administrative expenses in the Statement of Comprehensive Income.

Impairment of intangible assets

The Company uses forecast cash flow information and estimates of future earnings to assess whether intangible assets are impaired and to assess useful economic lives. If the results of operations in future periods are less than those used in impairment testing, an impairment may be triggered, or the useful economic life of an asset may be reduced.

g) Operating leases

The only operating leases held by the Company are short term leases on office accommodation and costs are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade and other receivables are recognised at original invoice amount, less an estimate made for doubtful receivables based on a review of all outstanding amounts at the period end. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the use of a doubtful debtor account, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses. When a trade receivable subsequently becomes uncollectible, it is written off against the doubtful debt provision, in the period in which the bad debt is identified. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of Comprehensive Income. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Camelot Global Services Limited

i) Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

j) Financial instruments

Exposure to credit, interest rate, currency and liquidity risks that arise in the normal course of the Company's business are minimised by the Company's policies and controls, as disclosed in note 13.

Cash and cash equivalents

For the purpose of preparation of the Statement of Cash Flows, cash and cash equivalents includes cash at bank and in hand, short-term deposits with an original maturity period of three months or less and certain amounts classified as borrowings, as detailed below.

Bank overdrafts that are an integral part of the Company's cash management are included in cash and cash equivalents where they have a legal right of set-off against positive cash balances. If the cash position after the set-off of the overdrafts amounts to a net overdraft, these amounts are classified as borrowings, but are still classified as cash and cash equivalents for the purposes of the Statement of Cash Flows.

Borrowings

Borrowings comprise amounts drawn down against the Company's bank facilities and any bank overdrafts as defined above. They are recognised at fair value, net of transactions costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

k) Provisions

Provisions are recognised when the Company has legal or constructive present obligations as a result of past events, that will probably require an outflow of resources to settle, and this outflow can be reliably measured.

Provisions are discounted when the time value of money is material.

The dilapidation provision is the current best estimate of the cost of bringing certain premises, for which the rental is recharged from fellow subsidiaries, back to their original state as required by the head lease agreement.

l) Pensions

The Company participates in a Group Personal Pension Plan, a defined contribution scheme operated by the Group. The cost of contributions is charged to the Statement of Comprehensive Income in the year to which it relates.

m) Current and deferred income tax

Current income tax is recognised based on the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred income tax is provided in full, using the liability method, on temporary differences that arise between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding tax base. A temporary difference is a taxable temporary difference if it will give rise to taxable amounts in the future when the asset or liability is settled. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be offset. Deferred tax assets and liabilities recognised are not discounted. Current tax assets and liabilities are shown separately on the face of the balance sheet. Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset taxation assets with current taxation liabilities.

n) Value added tax

All costs include the attributable value added tax to the extent that it is not recoverable.

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o) Foreign currency translation

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in UK pounds sterling (£), which is the Company's functional and presentational currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

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

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the available-for-sale reserve in equity.

3. Revenue

Revenue for the current financial year is derived from one activity, the provision of consultancy services to organisations involved in foreign lottery markets.

	2014 £000	2013 £000
Geographical analysis		
North America	1,092	1,571
North Africa	15	12
	1,107	1,583

4. Operating loss

	2014 £000	2013 £000
Operating loss is stated after charging/(crediting):		
Amortisation of intangible assets	-	484
Exchange losses	5	-
Exchange gains	-	(1)
Employee benefit expenses	1,742	2,146
Lottery bid costs	1,320	1,910
Operating lease rentals	10	59
Recharge rentals from fellow subsidiaries	64	51
Auditors' remuneration	18	14

The 'Operating lease rentals' are in respect of office accommodation in North America for which the lease expired on 31 April 2014 and re-negotiation is in progress for a new lease.

5. Employee expenses and numbers

The Company had thirteen (2013: ten) employees during the year (not including those on secondment from other Group companies).

	2014 £000	2013 £000
Wages and salaries	1,352	1,507
Social security costs	213	194
Restructuring costs	11	255
Pension costs	166	190
	1,742	2,146

The Company does not operate a pension scheme; the employees are members of a Group personal pension plan and the Company has made employer's contributions to this scheme.

Key management personnel compensation

	2014 £000	2013 £000
Salaries and other employee benefits	887	1,224
Long Term Incentive Plan	-	62
Compensation for loss of office	137	235
Pension costs	104	165
	1,128	1,686

Key management is considered to be the Group Operating Board for all UK group companies and the individual Company Operating Boards for each UK group company.

The Group Operating Board consists of department directors who meet regularly to discuss group performance and make key operating decisions. As at the year end, the Group Operating Board comprises six individuals, one of which is employed by CGSL. There are nine additional individuals who are members of the Company Operating Boards, two of which are employed by CGSL.

The amounts above include compensation for all members of the Group Operating Board and Company Operating Boards who were employed by CGSL during the reporting period. The remuneration of the remaining members of the Group Operating Board and Company Operating Boards is disclosed in the financial statements of the group company that employs those individuals. An agreed costs recharge structure has been set up between group companies which is not directly attributable to individuals.

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Directors' emoluments

The directors are mainly remunerated by Camelot and CBSL and details of their emoluments and pension payments are available in the financial statements of those companies.

	2014 £000	2013 £000
Emoluments	15	17

The directors' emoluments shown above are a re-allocation of cost from other Group companies which have the same non-executive directors as the Company.

The Company made no contributions to a defined contribution pension scheme for any director in the current or preceding year.

None of the directors held any beneficial interest in the Company, nor were any share options granted in the year.

6. Finance income and costs

	2014 £000	2013 £000
Bank interest receivable	4	1
Bank interest payable	(4)	0
Net finance income	0	1

7. Income Tax

a) UK Corporation tax

	2014 £000	2013 £000
Current income tax credit for the year	(1,038)	(1,709)
Deferred income tax credit for the year	(15)	(6)
Prior period adjustments	13	(85)
Income tax credit	(1,040)	(1,800)

The income tax credit is based on a corporation tax rate of 23% for the year ended 31 March 2014 (2013: 24%). All taxable temporary differences have been recognised and are reflected in the deferred taxation balance.

The Finance Act 2013 enacted reductions in the main rate of UK Corporation Tax rate from 23% to 21% from 1 April 2014 and from 21% to 20% from 1 April 2015. As a result the Company's deferred tax balances which were previously provided for at 23% have been remeasured at the rate of 20%.

As at 31 March 2014, there was an unrecognised deferred tax asset in relation to pre-acquisition losses of £441,000 (2013: £507,000).

The deferred tax asset in relation to losses has not been recognised in accordance with IAS 12 'Income Taxes'.

Camelot Global Services Limited

b) Reconciliation of tax credit

	2014 £000	2013 £000
Loss before taxation	(4,146)	(6,743)
Tax credit on loss on ordinary activities at the UK standard rate 23% (2013: 24%)	953	1,618
Factors affecting charge:		
Permanent adjustments	102	97
Prior period adjustments	(13)	85
Effect of changes in the rate of taxation	(2)	-
Income tax credit	1,040	1,800

c) Deferred taxation

	2014 £000	2013 £000
Deferred tax assets:		
To be recovered after more than 12 months	1	
To be recovered within 12 months	15	11
Deferred tax assets	16	11

The gross movement on deferred tax is as follows:

	Accelerated capital allowances £000	Provisions and accruals £000	Total £000
At 1 April 2013	1	10	11
(Charge)/credit to the Statement of Comprehensive Income			
- current year charge	(1)	8	7
- effect of changes in the rate of taxation	-	(2)	(2)
At 31 March 2014	-	16	16

The treatment of deferred tax as an asset is based on the expectation that in periods ahead the Company will be able to utilise it against taxable profit from budgeted opportunities in the lottery industry.

8. Intangible assets

	Separately acquired £000	£000
Cost		
At 1 April 2012	836	836
Disposals	(10)	(10)
At 31 March 2013	826	826
Accumulated amortisation		
At 1 April 2012	342	342
Charge for the year	484	484
At 31 March 2013	826	826
Net book value at 31 March 2013	-	-

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	Separately Acquired £000	Total £000
Cost		
At 1 April 2013	826	826
Retired	(826)	(826)
At 31 March 2014	-	-
Accumulated amortisation		
At 1 April 2013	826	826
Charge for the year	-	-
Retired	(826)	(826)
At 31 March 2014	-	-
Net book value at 31 March 2014	-	-

All intangible assets were software assets to enable the Company to target international opportunities within the lottery industry and were fully amortised in previous years in line with their useful lives and have now been retired.

9. Investments in subsidiaries

Name	Country of Incorporation	% Shareholding	2014 £000	2013 £000
Camelot Global Services (North America) Inc.	U.S.A	100%	-	-
CISL SA (Pty) Limited	South Africa	100%	-	-
Wholesale Commercial Collections Limited	U.K.	100%	-	-

The Company holds a 100% investment in the ordinary share capital of Camelot Global Services (North America) Inc., a company incorporated in the US, at a carrying value of US\$100.

The Company holds a 100% investment in the ordinary share capital of CISL SA, a company incorporated in South Africa, at a carrying value of Rand 1.

The Company holds a 100% holding in the ordinary share capital of WCCL, a dormant company incorporated in the United Kingdom, at a carrying value of £1.

10. Trade and other receivables

	2014 £000	2013 £000
Loan due from subsidiary undertakings	1,530	766
Amounts due from subsidiary undertakings	92	337
Amounts due from fellow subsidiary undertakings	107	68
Other debtors	162	-
VAT receivable	9	55
Group relief receivable	657	1,047
Prepayments and accrued income	3	18
	2,560	2,291

Amounts due from fellow subsidiary and subsidiary undertakings are unsecured, interest free and repayable on demand. The loan due from fellow subsidiary undertakings is unsecured, interest free and repayable on demand.

11. Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the Statement of Cash Flows:

	2014 £000	2013 £000
Cash and cash equivalents	143	26
Bank overdraft	-	(70)
Cash and cash equivalents	143	(44)

12. Credit quality of financial assets

External credit ratings are obtained for banks where the Group holds cash and short-term bank deposits. At 31 March 2014, no financial assets were held in short-term money market deposits (2013: nil).

13. Financial risk management

Exposure to credit, interest rate, currency, liquidity and capital risks arise in the normal course of the Company's business:

a) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers at the point at which the Company starts to trade with them.

The Company has reviewed its established credit policy and debt collection processes to ensure they are appropriate and address the exposures to risk in the economic climate. Management is confident that the current arrangements minimise the Company's exposure in this area, however this continues to be closely monitored, particularly in light of the contract with PLIL.

In the financial year, the Company traded predominantly with other Group Companies. Management continues to pursue opportunities to increase the number of trading partners.

The maximum exposure to credit risk is represented by the carrying amount of each class of financial asset in the balance sheet. The carrying value of financial assets approximates to their fair value.

b) Interest rate risk

The Company is no longer a member of a cash pool alongside its fellow UK subsidiary companies (excluding Camelot) under which all members were provided with cross guarantees in respect of each other's liabilities (where applicable). At 31 March 2013, the Company's maximum potential liability under the cross guarantee was £337,000.

During the year the Company ceased to be entitled to borrow funds under the PLUK £7,000,000 syndicated revolving credit facility. At 31 March 2013 the balance outstanding was nil.

c) Foreign exchange risk

The Group is exposed to foreign exchange risk on purchases that are denominated in a currency other than UK pounds sterling (£). The currencies giving rise to this risk are primarily U.S. dollars (\$). During the year, the Company did not participate in any derivative or hedging contracts due to the minimal volume and value of foreign transactions. Transactions denominated in foreign currencies are accounted for in line with our accounting policy detailed in note 2.

Included within administrative expenses in the Statement of Comprehensive Income is £5,000 net foreign exchange loss (2013: £1,000 net foreign exchange gain).

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d) Liquidity risk

The Company is no longer a member of a cash pool alongside its fellow UK subsidiary companies (excluding Camelot) under which all members were provided with cross guarantees in respect of each other's liabilities (where applicable). At 31 March 2013, the Company's maximum potential liability under the cross guarantee was £337,000.

During the year the Company ceased to be entitled to borrow funds under the PLUK £7,000,000 syndicated revolving credit facility. At March 31 2013 the balance outstanding was nil.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Cash flow forecasts are produced up to one year in advance and revised regularly.

All of the Company's financial liabilities at 31 March 2014 mature in less than one year.

e) Capital risk

The Company is no longer a member of a cash pool alongside its fellow UK subsidiary companies (excluding Camelot) under which all members provided cross guarantees in respect of each other's liabilities (where applicable). At 31 March 2013, the Company's maximum potential liability under the cross guarantee was £337,000 and the balance outstanding on the pool credit facility was a liability of £70,000.

The directors have received confirmation that the immediate parent company, PLUK, will continue to support the Company for at least one year after these financial statements are signed.

14. Financial liabilities - borrowings

	2014 £000	2013 £000
Bank overdraft	-	70

The Company is no longer a member of a cash pool alongside its fellow UK subsidiary companies (excluding Camelot) under which all members provided cross guarantees in respect of each other's liabilities (where applicable). At 31 March 2013, the Company's maximum potential liability under the cross guarantee was £337,000.

15. Trade and other payables

	2014 £000	2013 £000
Trade creditors	18	134
Amounts due to fellow subsidiary undertakings	13,612	9,652
Amounts due to subsidiary undertakings	7	11
Accruals and deferred income	918	958
	14,555	10,755

Amounts due to the fellow subsidiary and subsidiary undertakings are unsecured, interest free and repayable on demand.

16. Provisions for liabilities and other charges

	Restructuring £000	Property £000	Total £000
At 1 April 2012	-	3	3
Charge to Statement of Comprehensive Income	235	1	236
At 31 March 2013	235	4	239
	Restructuring £000	Property £000	Total £000
At 1 April 2013	235	4	239
Charge to Statement of Comprehensive Income	-	2	2
Utilised in the year	(235)	-	(235)
At 31 March 2014	-	6	6

Provisions have been classified between current and non-current as follows:

	2014 £000	2013 £000
Current	-	235
Non-current	6	4
Total	6	239

Property provisions comprise of a dilapidation provision which is the current best estimate of the cost of bringing certain premises, held under operating leases, back to their original state as required by the lease agreements. The provision will be utilised as these lease agreements terminate.

17. Share capital**Authorised and allotted share capital as at 31 March 2013 and 31 March 2014**

Authorised	2014 £000	2013 £000
96,663,000 ordinary shares of £1 each	96,663	96,663
10 preference 'B' preference shares of £1 each	0 0	00
At 31 March	96,663	96,663
Allotted, issued and fully paid	2014 £000	2013 £000
1,663,000 ordinary 'A' shares of £1 each	1,663	1,663
10 preference 'B' preference shares of £1 each	0	0
At 31 March	1,663	1,663

1,663,000 'A' ordinary shares and three 'B' preference shares are allotted to PLUK and seven 'B' preference shares are allotted to Fourmoront Corporation.

Full income rights are accorded to the 'A' ordinary shares, 'B' preference shares have no distribution rights. 'B' preference shares have priority to full repayment of capital in any return of assets on liquidation, reduction of capital or otherwise. 'A' ordinary shareholders are entitled to vote and participate in all general meetings of the Company with the exception of any part of a meeting relating to the election of directors. 'B' preference shareholders are entitled to participate, but not vote, at all general meetings of the Company with the exception of

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any vote relating to the election of directors, in which case each 'B' preference share shall be entitled to one vote.

18. Retained earnings

	2014 £000	2013 £000
At 1 April	(10,399)	(5,456)
Loss for the financial year	(3,106)	(4,943)
At 31 March	(13,505)	(10,399)

19. Cash used in operations

	2014 £000	2013 £000
Operating loss	(4,146)	(6,744)
Adjustments for:		
Amortisation	-	484
Changes in working capital:		
- Trade and other receivables	(660)	1,161
- Trade and other payables	3,801	4,443
- Provisions for other liabilities and charges	(233)	236
	2,908	6,324
Cash used in operations	(1,238)	(420)

20. Financial commitments and contingent liabilities

At the year-end, no capital expenditure was contracted for (2013: nil).

21. Related party transactions

CGSL is controlled by PLUK (incorporated in the UK), which owns 99.996% of the Company's shares. The Group's ultimate UK parent is PLIUK. The Group's ultimate controlling party is the Ontario Teachers' Pension Plan Board.

The Company transacted with its fellow subsidiary related parties, (Camelot, CCSL, CBSL, and CSSL) and subsidiary (CGSNA) during the year as detailed below. CCSL provides commercial services solutions. CBSL provides business services to other Group companies through various departments and short term working capital funding to its fellow subsidiaries excluding Camelot. CSSL is principally focused on managing a programme of projects to generate revenue for group companies.

In addition £1,471,000 (2013: £787,000) was received from Camelot UK Lotteries Ltd and £46,000 (2013: nil) was paid to Camelot Business Solutions Ltd in respect of group taxation relief during the year.

CGSL acquired during the year and now holds 2,500 Preference Shares in Premier Lotteries Ireland Holdings Limited, each share having a par value of €0.01.

All amounts due to and from related parties are unsecured in nature, bear no interest and are due on demand.

All related party transactions are based on normal financial terms and charged on an arm's length basis.

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	2014 Sale of services £000	2014 Amounts due from related party £000	2013 Sale of services £000	2013 Amounts due from related party £000
Camelot UK Limited	19	45	6	164
Camelot Business Solutions Limited	17	60	-	47
Camelot Strategic Solutions Limited	5	2	-	5
Camelot Global Services North America Inc.	1,092	1,622	1,848	955
Premier Lotteries Ireland Limited	-	162	-	-

	2014 Purchase of Services £000	2014 Amounts due to related party £000	2013 Purchase of services £000	2013 Amounts due to related party £000
Camelot UK Limited	223	163	214	34
Camelot Commercial Services Limited	-	-	-	6
Camelot Business Solutions Limited	684	12,924	1,069	9,443
Camelot Strategic Solutions Limited	703	525	142	169
Camelot Global Services North America Inc.	-	7	-	11
Premier Lotteries Ireland Limited	-	-	-	-

22. Ultimate and immediate parent undertakings

The Company's immediate parent undertaking is PLUK. PLUK is a subsidiary of PLCUK, itself a subsidiary of PLIUK. PLUK is the parent undertaking of the smallest group to consolidate these financial statements reporting under IFRS as adopted by the EU. The financial statements of PLUK are available from Magdalen House, Tolpits Lane, Watford, Hertfordshire, WD18 9RN, United Kingdom. The largest Company in the Group to consolidate is PLIUK. The ultimate parent undertaking and controlling party is Teachers'. The financial statements of Teachers' are publicly available at www.otpp.com.

23. Subsequent events

It was announced on 29 April 2014 that the Group's Chief Executive Officer, Dianne Thompson, is due to retire on 31 October 2014. The role of Chief Executive Officer for the UK business will be filled by Andy Duncan, who is currently the Managing Director of Camelot UK Lotteries Limited.

Company Addresses

Head Office
Magdalen House
Tolpits Lane
Watford WD18 9RN
United Kingdom
www.camelotgroup.co.uk
01923 425 000

Registered office
Magdalen House
Tolpits Lane
Watford WD18 9RN
United Kingdom

Registered in England and Wales
No. 02822300

Incorporated and domiciled in England

Independent auditors
PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH
United Kingdom

Bankers
The Royal Bank of Scotland Plc
London Corporate Service Centre
PO Box 39592
2 ½ Devonshire Square
London
EC2M 4XJ
United Kingdom