

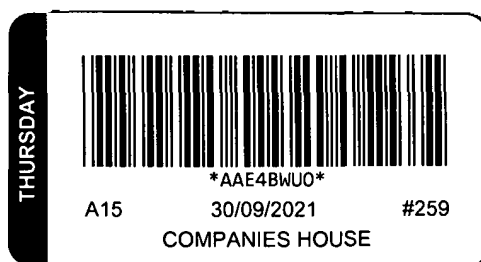
NetPlay TV Limited

Annual Report

Year Ended

31 December 2020

Company Number 03954744



NetPlay TV Limited

Report and financial statements for the year ended 31 December 2020

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Director

P J Lindwall

Registered office

55 Baker Street, London, W1U 7EU

Company number

03954744

Auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Bankers

SEB, One Carter Lane, London, EC4V 5AN

NetPlay TV Limited

Director's report for the year ended 31 December 2020

The Director presents his report together with the audited financial statements for the year ended 31 December 2020.

Director

The Director who served the Company during the year and to the date of these financial statements was as follows:

P J Lindwall

Principal activity

The principal activity of the Company is to provide accounting and administrative support to its subsidiaries whose main activity is the provision of administrative services to the rest of the group. The Company ceased trading on 31 December 2019 and the Director intends to liquidate the Company. The Director therefore does not consider the Company to be a going concern. Accordingly, the financial statements have been prepared on a basis other than that of going concern. The financial statements do not include any adjustments as a result of being prepared on a basis other than going concern.

Financial Review

The director considers the most relevant key performance indicators to be the profits achieved by the company. The loss for the year amounted to £11,000 (2019: profit of £84,000). The director has not recommended a dividend (2019: £nil).

Director's responsibilities

The Director is responsible for preparing the annual 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). 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 of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the director does not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

NetPlay TV Limited

Director's report for the year ended 31 December 2020 (*continued*)

Director's responsibilities (*continued*)

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 applicable law and regulations. 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.

Auditors

The Director who held office at the date of approval of this Director's Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken steps that ought to have been taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.



P J Lindwall
Director

28 September 2021

NetPlay TV Limited

Independent auditor's report for the year ended 31 December 2020

TO THE MEMBERS OF NETPLAY TV LIMITED

Opinion

We have audited the financial statements of NetPlay TV Limited ("the Company") 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 notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

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 result 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 UK, including 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 – basis of preparation

We draw attention to Note 1 to the financial statements which explains that the directors have taken a decision to cease operations from 31 December 2019 liquidate the entity. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in respect of this matter.

Other information

The Director is responsible for the other information. The other information comprises the information included in the report and financial statements other than the financial statements and our auditor's 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.

NetPlay TV Limited

Independent auditor's report for the year ended 31 December 2020 (continued)

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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's 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 director's 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 director's 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 director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that he gives a true and fair view, and for such internal control as the director determines 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 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

NetPlay TV Limited

Independent auditor's report for the year ended 31 December 2020 (*continued*)

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.

DocuSigned by:
Kieran Storan
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Kieran Storan (senior statutory auditor)

For and on behalf of BDO, statutory auditor
London
United Kingdom.

28 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

NetPlay TV Limited

Statement of comprehensive income for the year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Turnover	2	-	957
Administrative income		13	-
Administrative expense		(8)	(989)
Profit/(Loss) from operations		5	(32)
Finance (cost)/income		(16)	116
(Loss)/profit before taxation		(11)	84
Income tax	7	-	-
(Loss)/profit after taxation		(11)	84

The notes on pages 9 to 17 form part of these financial statements.

NetPlay TV Limited

Statement of financial position at 31 December 2020

Company number 03954744	Notes	2020 £'000	2019 £'000
Non-current assets			
Investments	9	-	976
Total non-current assets		-	976
Current assets			
Trade and other receivables	11	6	-
Cash and cash equivalents		681	865
Total current assets		687	865
Total assets		687	1,841
Current liabilities			
Trade and other payables	12	980	2,123
Net current liabilities		(293)	(1,258)
Net liabilities		(293)	(282)
Equity and liabilities			
Share capital	13	3,145	3,145
Share premium	13	1,616	1,616
Retained earnings		(5,054)	(5,043)
Total equity		(293)	(282)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2021.



P J Lindwall
Director

The notes on pages 9 to 17 form part of these financial statements.

NetPlay TV Limited

Statement of changes in equity for the year ended 31 December 2020

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
As at 31 December 2018	3,145	1,616	(5,127)	(366)
Profit and total comprehensive profit for the year	-	-	84	84
As at 31 December 2019	3,145	1,616	(5,043)	(282)
Loss and total comprehensive loss for the year	-	-	(11)	(11)
As at 31 December 2020	3,145	1,616	(5,054)	(293)

The notes on pages 9 to 17 form part of these financial statements.

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020

1 Accounting policies

General information

NetPlay TV Limited ("the Company") is the UK Holding company of the Netplay group of companies. Following the acquisition by Betsson AB, the group offers support services to the wider Betsson group. It is incorporated and domiciled in the UK. The address of its registered office is 55 Baker Street, London, W1U 7EU.

Basis of preparation

The financial statements have been prepared in accordance with the applicable Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Framework. The principal accounting policies adopted in the preparation of the financial statement are set out below.

The Company ceased trading on 31 December 2019 and Directors intend to liquidate the Company. The Directors therefore do not consider the Company to be a going concern. Accordingly, the financial statements have been prepared on a basis other than that of going concern. The financial statements do not include any adjustments as a result of being prepared on a basis other than going concern.

The financial statements have been prepared on a historical cost basis. The preparation currency used is pound sterling and amounts have been presented in round thousands ("£'000s").

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of the following disclosure exemptions conferred by FRS 101:

- IAS 7 - Cash flow statement;
- IFRS 7 – Financial instruments;
- IAS 24 – Related party transactions;

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Betsson AB.

Changes in accounting policies

New standards, interpretations and amendments effective from 1 January 2020.

New standards have been adopted in the annual financial statements for the year ended 31 December 2020. These new IFRSs, which are applicable for the Company and which do not significantly affect these Financial Statements are:

- IFRS 9 Financial Instruments (IFRS 9) and
- IFRS 15 Revenue from contracts with Customers (IFRS 15)

These standards have been applied in these annual financial statement and do not have a material impact on the Company.

Revenue recognition

Turnover principally relates to management services and operational services provided to the company's subsidiaries.

Turnover is recognised in the period that the service is provided.

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (*continued*)

1 Accounting policies (*continued*)

Taxation

Income tax expense represents the sum of the tax currently payable, an estimate of any potential tax payable and deferred tax.

Current tax and potential tax payable is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investment in subsidiaries and jointly controlled entities where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/ (assets) are settled/ (recovered).

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the Director. In the case of final dividends, this is when approved by the shareholders at the AGM.

Pension costs

The Company makes contributions to defined contribution plans. The Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Investments

Investments in subsidiary undertakings are stated at the fair value of the consideration paid plus share based payments subsequently granted by the Company to employees of the subsidiary incurred to date. Investments that were acquired prior to the Company's conversion to IFRS are held at cost which is the aggregate of the nominal value of the Company's shares plus the fair value of any other consideration given to acquire the share capital of the subsidiary undertakings. Provision is made where there is an impairment in the value of the investment.

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

Property, plant and equipment

All property, plant and equipment is stated in the statement of financial position at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged so as to write off the cost over their estimated useful lives using the straight-line method of depreciation, as follows:

Computer equipment	-	33.3% straight line
Fixtures & fittings	-	20% straight line
Leasehold improvements	-	Shorter of the unexpired period of the lease and the estimated useful economic life of the assets

The gain or loss arising on disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is expensed to profit or loss for the period.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

Financial assets

The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

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 services to customers, but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at cost less impairment provisions.

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. Trade receivables are reported net of impairment provisions, with impairment losses being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

Financial liabilities held by the Company consist of customer funds held, trade payables and other short-term monetary liabilities.

Financial liabilities are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument and subsequently at amortised cost.

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

The Company's ordinary shares are classified as equity instruments.

Provisions for other liabilities and charges

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions for onerous contracts are recognised when the expected benefits to be derived from contracts are less than the unavoidable cost of meeting the obligations under the contracts. Provisions are measured at the present value of the amounts that are expected to be paid to settle the obligations.

Capital management

The Company is funded entirely through equity share capital and retained earnings. If financing is required, the Board will consider whether debt or equity financing is more appropriate and proceed accordingly.

Critical accounting estimates and judgements

Estimates and judgements are based on historical experience, expectations of future events, and other factors deemed to be relevant in the circumstances.

The preparation of financial statements under FRS101 requires the Company to make estimates and judgements that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Included below are the areas that the Director considers require estimates, judgements and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Valuation of tax provisions and liabilities

Judgment and estimation is required in relation to international tax laws including transfer pricing and controlled foreign companies.

2 Turnover

The turnover and profit before tax are attributable to the principal activities of the company.

3 (Loss)/profit before tax

	2020 £'000	2019 £'000
Operating (loss)/profit is stated after charging:		
Depreciation of property, plant and equipment	-	135
Operating lease rentals - land and buildings	-	282

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

4 Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor:

	2020 £'000	2019 £'000
Fees payable to the Company's auditor for the audit of parent company and consolidated financial statements	8	22
Fees payable to the Company's auditors for other services:		
- Tax compliance service	7	21
	<u>15</u>	<u>43</u>

5 Employees

	2020 £'000	2019 £'000
Staff costs (including director) consist of:		
Wages and salaries	-	283
Social security costs	-	15
	<u>-</u>	<u>298</u>
Net staff costs	-	298

The Company makes contributions to defined contribution plans. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. The assets of the individual schemes are held separately from those of the Company in independently administered funds.

The average number of employees (including executive director) during the year was as follows:

	2020 Number	2019 Number
Operational	-	1
Management and administrative	-	2
	<u>-</u>	<u>3</u>

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

6 Finance (cost)/income

	2020 £'000	2019 £'000
Group interest (payable)/receivable	(16)	115
Bank interest	-	1
	<u>(16)</u>	<u>116</u>

7 Income tax

Factors affecting the tax expense for the year

The tax assessed in the year differs from the standard rate of corporation tax in the UK of 19% (2019 – 19.00%).
The differences are explained below:

	2020 £'000	2019 £'000
(Loss)/profit before tax	(11)	84
Tax at the UK corporation tax rate of 19.00% (2019 – 19.00%)	(2)	16
Effects of:		
Expenses not deductible for tax purposes	2	54
Deferred tax not recognised	-	(70)
	<u>-</u>	<u>-</u>
Tax charge for the year	-	-

NetPlay TV Limited

Notes forming part of the financial statements
for the year ended 31 December 2020 (*continued*)

8 Tangible fixed assets

	Leasehold property £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
<i>Cost</i>				
At 31 December 2019	299	324	307	930
At 31 December 2020	299	324	307	930
<i>Depreciation</i>				
At 31 December 2019	299	324	307	930
Charge for the year	-	-	-	-
At 31 December 2020	299	324	307	930
<i>Net book value</i>				
At 31 December 2019 and 2020	-	-	-	-

9 Non-current asset investments

	2020 £'000	2019 £'000
Investment in subsidiary undertakings		
As at 1 January	976	-
Additions	-	-
Liquidation	(976)	-
Reversals/(impairment)	-	976
As at 31 December	-	976

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

9 Non-current asset investments (continued)

During 2019, a decision was made to liquidate Netplay Marketing BVI Limited. As part of this liquidation an amount of £976,000 was available for distribution to Netplay TV Limited. A reversal of impairment on the investment in Netplay Marketing BVI Limited has therefore been recognised for this amount during 2019. This amount was settled in 2020, and utilised to settle payable balances to fellow subsidiaries.

The Company has investments in the ordinary shares of the following subsidiary undertakings, all of which are included in the consolidation:

	Residence	Principal activity	Shareholding	
			2020	2019
NetPlay TV Group Limited	Alderney	TV and online gambling	100%	100%
NetPlay TV Broadcasting Limited	UK	TV broadcasting	100%	100%
NetPlay TV Marketing Services Limited	UK	Marketing services	100%	100%
NetPlay TV Services Limited	UK	TV and online gambling	100%	100%
NetPlay TV Marketing BVI Limited	BVI	Marketing services	100%	100%
Synergy Digital Services Limited	BVI	Online marketing	100%	100%
Adfusion Web Services Limited	Israel	Marketing services	-	100%

10 Deferred tax

Deferred income tax assets are recognised for tax carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. At the year end the Company has an unrecognised deferred tax asset in respect of unused tax losses of -£946,000 (2019 - £946,000) available for offset against future taxable profits from the Company and an additional unrecognised deferred tax asset in respect of fixed asset timing differences of £nil (2019 - £ nil).

11 Trade and other receivables

	2020 £'000	2019 £'000
Included within current assets:		
Amounts owed from group undertakings	-	-
Prepayments and accrued income	-	-
Other receivables	6	-
	<u>6</u>	<u>-</u>

There is a total provision of £5,547,000 (2019: £5,731,000) against amounts owed from group undertakings to bring the carrying amount of the receivable in line with the amount expected to be received.

NetPlay TV Limited

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

12 Trade and other payables

	2020 £'000	2019 £'000
Trade payables	-	18
Amounts owed to group undertakings	965	1,925
Accruals	15	164
Other payables	-	16
	<u>980</u>	<u>2,123</u>

13 Share capital and share premium

	Number	Ordinary shares £'000	Share premium £'000	Total £'000
At 31 December 2019	<u>293,523,785</u>	<u>3,145</u>	<u>1,616</u>	<u>4,761</u>
At 31 December 2020	<u>293,523,785</u>	<u>3,145</u>	<u>1,616</u>	<u>4,761</u>

14 Related party transactions

Key management personnel are defined for the purpose of disclosure under IAS 24: Related Party Disclosures as the members of the board.

The Company is a wholly owned subsidiary of Betsson AB. The Company has taken advantage of the exemptions contained in Financial Reporting Standard 102 Section 33 and has therefore not disclosed transactions and balances with entities which form part of the group.

15 Ultimate parent control

The ultimate parent undertaking is Betsson AB, and its shareholders the ultimate controlling party of the Company, a company incorporated in Sweden. Betsson AB prepares consolidated financial statements and copies can be obtained from the company website.