

Company Registration No. 05528591 (England and Wales)

BGPH Limited

**Annual report and financial statements
for the year ended 31 May 2016**



BGPH Limited

Company information

Directors	Martin Pates Simon Trim
Secretary	Martin Pates
Company number	05528591
Registered office	Gateway House Milverton Street Kennington London SE11 4AP
Independent auditors	Saffery Champness 71 Queen Victoria Street London EC4V 4BE

BGPH Limited

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BGPH Limited

Directors' report

For the year ended 31 May 2016

The directors present their annual report and financial statements for the year ended 31 May 2016.

Principal activities

The principal activity of the company was that of holding investments in subsidiary companies.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Warren Murphy	(Resigned 5 April 2016)
Mark Maydon	(Resigned 31 December 2015)
Martin Pates	
Simon Trim	

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

Saffery Champness have expressed their willingness to continue in office.

Statement of directors' responsibilities

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). 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;
- 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.

BGPH Limited

Directors' report (continued)
For the year ended 31 May 2016

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Martin Pates

Director

19/9/16

BGPH Limited

Independent auditors' report To the members of BGPH Limited

We have audited the financial statements of BGPH Limited for the year ended 31 May 2016 set out on pages 5 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 annual 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2016 and of its loss 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.

Opinion on other matters prescribed by the Companies Act 2006

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

BGPH Limited

Independent auditors' report (continued)
To the members of BGPH Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.



Donna Caira (Senior Statutory Auditor)
for and on behalf of Saffery Champness

20 Sept 2016

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

BGPH Limited**Statement of comprehensive income
For the year ended 31 May 2016**

	Notes	2016 £'000	2015 £'000
Administrative expenses		-	(4)
Other operating income		-	46,478
Operating profit		-	46,474
Interest payable and similar charges	3	(1,539)	(8,468)
(Loss)/profit before taxation		(1,539)	38,006
Taxation	4	-	-
(Loss)/profit for the financial year	12	(1,539)	38,006
Other comprehensive income		-	-
Total comprehensive income for the year		(1,539)	38,006

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

BGPH Limited**Statement of financial position
As at 31 May 2016**

	Notes	£'000	2016 £'000	£'000	2015 £'000
Fixed assets					
Investments	6		47,278		47,278
Current assets					
Cash at bank and in hand		2		6	
Creditors: amounts falling due within one year	8	(72,172)		(72,175)	
Net current liabilities			(72,170)		(72,169)
Total assets less current liabilities			(24,892)		(24,891)
Creditors: amounts falling due after more than one year	9		(6,898)		(5,360)
Net liabilities			(31,790)		(30,251)
Capital and reserves					
Called up share capital	11		18,281		18,281
Share premium account	12		353		353
Profit and loss reserves	12		(50,424)		(48,885)
Total equity			(31,790)		(30,251)

The financial statements were approved by the board of directors and authorised for issue on 19/4/16 and are signed on its behalf by:



Martin Pates
Director

Company Registration No. 05528591

BGPH Limited**Statement of changes in equity
For the year ended 31 May 2016**

	Notes	Share capital £'000	Share premium account £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 June 2014		18,281	353	(86,769)	(68,135)
Effect of transition to FRS 102		-	-	(122)	(122)
As restated		18,281	353	(86,891)	(68,257)
Year ended 31 May 2015:					
Profit and total comprehensive income for the year		-	-	38,006	38,006
Balance at 31 May 2015		18,281	353	(48,885)	(30,251)
Year ended 31 May 2016:					
Loss and total comprehensive income for the year		-	-	(1,539)	(1,539)
Balance at 31 May 2016		18,281	353	(50,424)	(31,790)

1 Accounting policies

Company information

BGPH Limited is a company limited by shares incorporated in England and Wales. The registered office is Gateway House, Milverton Street, Kennington, London, SE11 4AP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 May 2016 are the first financial statements of BGPH Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 15.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.

The financial statements of the company are consolidated in the financial statements of Spynsol Ltd. These consolidated financial statements are available from its registered office, Gateway House, Milverton Street, London, England, SE11 4AP.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies (continued)

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.4 Cash and cash equivalents

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

1.5 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

1 Accounting policies (continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Notes to the financial statements (continued)
For the year ended 31 May 2016

1 Accounting policies (continued)

Basic financial liabilities

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

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

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

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

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

1.7 Financial instruments

In accordance with FRS 25 Financial Instruments: Disclosure and Presentation, equity instruments which result in a financial obligation have been classified as debt in these financial statements and dividends payable on such equity instruments are included as interest costs.

Notes to the financial statements (continued)

For the year ended 31 May 2016

2 Critical accounting judgements and key sources of estimation uncertainty

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

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

3 Interest payable and similar charges

	2016	2015
	£'000	£'000
Dividends on redeemable preference shares not classified as equity	1,538	-
Interest payable to group undertakings	-	4,865
Other interest on financial liabilities	1	3,725
Finance costs for financial instruments measured at fair value through profit or loss	-	(122)
	<u>1,539</u>	<u>8,468</u>

Notes to the financial statements (continued)
For the year ended 31 May 2016

4 Taxation

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2016 £'000	2015 £'000
(Loss)/profit before taxation	(1,539)	38,006
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(308)	7,601
Tax effect of expenses that are not deductible in determining taxable profit	308	95
Unutilised tax losses carried forward	-	240
Group relief	-	697
	-	(8,609)
Transition adjustments	-	(24)
Tax expense for the year	-	-

5 Dividends

Preference dividends in arrears total £5,068k (2015: £3,530k) in relation to the 1,830,391 12.6% redeemable cumulative preference shares of £1 each included in note 9.

6 Fixed asset investments

	Notes	2016 £'000	2015 £'000
Investments in subsidiaries	7	47,278	47,278

Movements in fixed asset investments

	Shares in group undertakings £'000
Cost or valuation	
At 1 June 2015 & 31 May 2016	47,278
Carrying amount	
At 31 May 2016	47,278
At 31 May 2015	47,278

Notes to the financial statements (continued)
For the year ended 31 May 2016

7 Subsidiaries

These financial statements are separate company financial statements for BGPB Limited.

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Spynsol Limited, a company incorporated in England and Wales, and is included in the consolidated financial statements of that company.

Details of the company's subsidiaries at 31 May 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Sporting Index Holdings Limited	England and Wales Intermediate parent company	Ordinary shares	100.00	
Sporting Index Limited	England and Wales Sports spread betting	Ordinary shares		100.00
SPIN Services Limited	England and Wales Trading, pricing and liability management services	Ordinary shares		100.00
SPIN Services Canada Inc	England and Wales Pricing data collection	Ordinary shares		100.00
Sporting Capital Management Limited	England and Wales Proprietary betting	Ordinary shares		100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£'000	£'000
Sporting Index Holdings Limited	(1,046)	38,491
Sporting Index Limited	(1,643)	27,043
SPIN Services Limited	1,300	(9,140)
SPIN Services Canada Inc	28	148
Sporting Capital Management Limited	3,909	4,057

BGPH Limited**Notes to the financial statements (continued)****For the year ended 31 May 2016****8 Creditors: amounts falling due within one year**

	2016	2015
	£'000	£'000
Amounts due to group undertakings	72,172	72,175

Investec Bank Plc has a fixed and floating charge over all the assets of the company.

9 Creditors: amounts falling due after more than one year

	Notes	2016	2015
		£'000	£'000
Other borrowings	10	1,830	1,830
Preference dividends payable		5,068	3,530
		6,898	5,360

10 Loans and overdrafts

	2016	2015
	£'000	£'000
Preference shares	1,830	1,830
Payable after one year	1,830	1,830

The company has in issue 1,830,391 12.6% redeemable cumulative preference shares of £1 each. These have been classified as a financial liability in accordance with Section 11 of FRS 102.

BGPH Limited**Notes to the financial statements (continued)**
For the year ended 31 May 2016**11 Share capital**

	2016 £'000	2015 £'000
Ordinary share capital		
Authorised		
36,562,508 Ordinary shares of 50p each	18,281	18,281
Issued and fully paid		
36,562,508 Ordinary shares of 50p each	18,281	18,281

The company has one class of ordinary shares which carry no right to fixed income. The ordinary shares carry equal voting rights.

The company also has in issue redeemable preference shares classified as a financial liability as described in note 10.

12 Reserves**Share premium**

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Equity reserve

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss reserves

The profit and loss account includes all current and prior period retained profits and losses.

13 Related party transactions

No guarantees have been given or received.

The company has taken advantage of the exemption available in accordance with FRS 102 Section 33 not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group.

14 Controlling party

The immediate parent company is Spynsoln Limited, a company registered in England and Wales. The ultimate parent company is Sports Tech Holdings Limited, a company registered in Malta.

The ultimate UK parent is Spynsol Limited. Spynsol Limited prepares consolidated financial statements and copies can be obtained from Gateway House, Milverton Street, London, SE11 4AP.

The ultimate controlling party of the group is Bengt Magnus Petter Hedman.

BGPH Limited**Notes to the financial statements (continued)**
For the year ended 31 May 2016**15 Reconciliations on adoption of FRS 102****Reconciliation of equity**

		1 June 2014 £'000	31 May 2015 £'000
	Notes		
Equity as reported under previous UK GAAP		(68,135)	(30,251)
Adjustments arising from transition to FRS 102:			
Financial derivatives	a	(122)	-
Equity reported under FRS 102		<u>(68,257)</u>	<u>(30,251)</u>

Reconciliation of profit or loss

	Notes	2015 £'000
Profit or loss as reported under previous UK GAAP		37,884
Adjustments arising from transition to FRS 102:		
Financial derivatives	a	122
Profit or loss reported under FRS 102		<u>38,006</u>

Notes to the financial statements (continued)
For the year ended 31 May 2016

15 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of equity

		At 1 June 2014			At 31 May 2015		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
Notes		£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets							
Investments		47,278	-	47,278	47,278	-	47,278
Current assets							
Bank and cash		1	-	1	6	-	6
Creditors due within one year							
Loans and overdrafts		(4,500)	-	(4,500)	-	-	-
Other creditors		(60,659)	-	(60,659)	(72,175)	-	(72,175)
		(65,159)	-	(65,159)	(72,175)	-	(72,175)
Net current liabilities		(65,158)	-	(65,158)	(72,169)	-	(72,169)
Total assets less current liabilities		(17,880)	-	(17,880)	(24,891)	-	(24,891)
Creditors due after one year							
Loans and overdrafts		(36,017)	-	(36,017)	(1,830)	-	(1,830)
Derivatives	a	-	(122)	(122)	-	-	-
Other creditors		(14,238)	-	(14,238)	(3,530)	-	(3,530)
		(50,255)	(122)	(50,377)	(5,360)	-	(5,360)
Net assets		(68,135)	(122)	(68,257)	(30,251)	-	(30,251)
Capital and reserves							
Share capital		18,281	-	18,281	18,281	-	18,281
Share premium		353	-	353	353	-	353
Profit and loss	a	(86,769)	(122)	(86,891)	(48,885)	-	(48,885)
Total equity		(68,135)	(122)	(68,257)	(30,251)	-	(30,251)

Notes to the financial statements (continued)
For the year ended 31 May 2016

15 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit or loss for the year

	Notes	Year ended 31 May 2015		FRS 102 £'000
		Previous UK GAAP £'000	Effect of transition £'000	
Turnover		-	-	-
Administrative expenses		(4)	-	(4)
Other operating income		46,478	-	46,478
Operating profit		46,474	-	46,474
Interest payable and similar charges	a	(8,590)	122	(8,468)
Taxation		-	-	-
Profit for the financial period		37,884	122	38,006

Notes to reconciliations on adoption of FRS 102

a) Financial derivatives

Previously interest rate swaps were not shown on the company balance sheet at the year end. FRS 102 requires the fair value of the interest rate swaps to be recorded on the balance sheet with movements through the profit and loss.

Consequently, the interest rate swap held by the company at 1 June 2014 has been brought on to the balance sheet at a fair value of £122k. The interest rate swap expired at 28 November 2014 and therefore does not affect the balance sheet as at 31 May 2015.