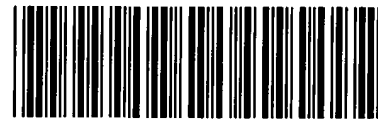


Company Number: 07553982

## **Camelot Business Solutions Limited**

### **Annual Report and financial statements for the year ended 31 March 2022**

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## **Camelot Business Solutions Limited**

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## **Camelot Business Solutions Limited**

### **Strategic Report**

The directors present the Strategic Report of Camelot Business Solutions Limited (the "Company") for the year ended 31 March 2022.

#### **Principal activities**

The Company's principal activity is business development. From 1 April 2020, the Company has provided services to a fellow group entity, Camelot UK Lotteries Limited ('CUKL'), to prepare and support CUKL's bid and pre-transition activities relating to the fourth National Lottery licence, on its behalf.

On 15 March 2022, the Gambling Commission announced that Allwyn Entertainment Ltd is the Preferred Applicant for the fourth licence to operate The National Lottery and CUKL was given Reserve Applicant status. In April 2022, CUKL launched a legal challenge in its capacity as an applicant for the fourth licence.

The Company continues to provide services to CUKL to support activity in relation to the fourth licence which includes activities related to CUKL's role as Reserve Applicant.

#### **Risks, uncertainties and opportunities**

The risks involved in business development activities are seen as primarily cash flow related and this is discussed in note 9. The risks, uncertainties and opportunities facing the Company are also inherently connected to CUKL's current legal challenge in relation to the fourth licence.

#### **Key performance indicators**

Given the nature of the business, the Company's directors believe that analysis using KPIs is unnecessary to fully understand the development and performance of the business.

However, the Company's performance is reviewed by certain members of the CUKL UK Executive team and its Board of Directors on a regular basis. The Company's financial results are monitored through monthly management accounts and regular cash flow management practices.

#### **Financial results for the year**

The loss for the financial year amounted to £2.6m (2021: £nil) due to the tax charge, as costs associated with business development activity, primarily recharged staff costs, property costs and consultancy were fully recharged to CUKL with no mark up. The Company's parent, Premier Lotteries UK Limited ('PLUK'), has provided funding in the form of a loan to assist with the business development activities and a partial repayment of £8.1m (2021: £nil) was made during the year.

The tax charge of £2.6m (2021: £0.2m tax credit) arose due to the tax treatment of prior year business development costs.

The COVID-19 pandemic has had limited impact on the risks and activities of the Company.

#### **Financial position at the year end**

Total assets at 31 March 2022 were £4.9m (2021: £12.7m). Total liabilities at 31 March 2022 were £15.9m (2021: £21.1m). Cash balances decreased to £3.2m as a result of the partial repayment of the loan from PLUK (2021: £12.7m).

On behalf of the Board



**Nigel Railton**  
Director  
23 June 2022

## **Camelot Business Solutions Limited**

### **Directors' Report**

The directors present their report together with the audited financial statements of the Company for the year ended 31 March 2022.

#### **Business review and future developments**

The Company's principal activity for the financial year and going forward is business development.

#### **Directors and their interests**

The directors of the Company who were in office during the year up to the date of signing the financial statements were:

Ilya Kachko  
Nigel Railton  
Rt Hon Sir Hugh Robertson KCMG DL  
Jane Rowe  
Nick Jansa (appointed 6 May 2021)  
Stefano Santarelli (resigned 30 April 2021)  
Gillian Whitehead (resigned 25 April 2022)  
David Kelly (resigned 10 May 2022)  
Mark Holt (resigned 20 May 2022)

#### **Company secretary**

John Dillon

#### **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 financial year and is currently in force. The Company's directors and officers were also covered by liability insurance throughout the financial year.

#### **Going concern**

Notwithstanding the Company's net current liabilities position and their latest cash flow forecast reflecting deficit funding, the Company's financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of signing the financial statements.

Pursuant to the requirements of IFRS which require management to assess the Company's ability to continue as a going concern, the directors have considered the Company's financial position as at 31 March 2022 and its projected cash flows, liquidity, borrowing facility and expected operational activities 12 months from the date of this statement. The directors have requested the continuous support from its parent, Premier Lotteries UK Limited ("PLUK") in order to fund the Company's operations and meet its liabilities as they fall due. Accordingly, the Company has obtained a letter from PLUK stating that it intends to provide continued support to the Company and will not recall the intercompany loan and balances for a period of at least 12 months from the date of this statement.

On the basis of this letter of support from PLUK, the directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and, for this reason, have adopted the going concern basis in preparing the accompanying financial statements.

## **Camelot Business Solutions Limited**

### **Directors' Report (continued)**

#### **Post Balance Sheet events**

Refer to note 17 to the financial statements for post balance sheet events disclosure.

#### **Financial risk management**

The Company is exposed to credit, interest rate, liquidity and capital risks in the normal course of business. Details of these risks are disclosed in note 9.

#### **Share capital and dividends**

One share is allotted of the authorised share capital of 1,000 (2021: 1,000) shares of £1 each. No final dividend has been proposed (2021: £nil).

#### **Donations**

During the year no political donations were made (2021: £nil).

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 UK-adopted international accounting standards.

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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 and the Directors' Remuneration Report comply with the Companies Act 2006.

**Camelot Business Solutions Limited**

**Directors' Report** (continued)

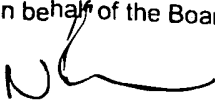
**Statement of directors' responsibilities in respect of the financial statements** (continued)

**Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



**Nigel Railton**  
Director  
23 June 2022

# **Independent auditors' report to the members of Camelot Business Solutions Limited**

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

### **Opinion**

In our opinion, Camelot Business Solutions Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2022; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **Independent auditors' report to the members of Camelot Business Solutions Limited (continued)**

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



# **Independent auditors' report to the members of Camelot Business Solutions Limited (continued)**

## **Responsibilities for the financial statements and the audit (continued)**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax and employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Review of the financial statement disclosures to underlying supporting documentation;
- Making enquiries of management, including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Review of meeting minutes of the Board of Directors; to address the risk of management bias; and
- Testing unusual or unexpected journal entries to ensure they are appropriate.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

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.

**Camelot Business Solutions Limited**

# Independent auditors' report to the members of Camelot Business Solutions Limited (continued)


## Other required reporting

### **Companies Act 2006 exception reporting**

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jonathan Lambert (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
23 June 2022

**Camelot Business Solutions Limited**

**Statement of Comprehensive Income**  
for the year ended 31 March 2022

	Note	2022 £m	2021 £m
Revenue	3	18.4	12.7
Administrative expenses		(18.4)	(12.9)
Operating loss	4	-	(0.2)
Loss before income tax		-	(0.2)
Income tax (expense)/credit	6	(2.6)	0.2
Loss for the financial year and total comprehensive loss		(2.6)	-

The results detailed above for 2022 are all derived from continuing operations.

The notes on pages 15 to 24 are an integral part of these financial statements.

**Camelot Business Solutions Limited**

**Balance Sheet**

as at 31 March 2022

	Note	2022 £m	2021 £m
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables	7	1.7	-
Cash and cash equivalents		3.2	12.7
		4.9	12.7
<b>Total assets</b>		<b>4.9</b>	<b>12.7</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8	7.3	4.4
Financial liabilities	10	8.6	16.7
		15.9	21.1
<b>Total liabilities</b>		<b>15.9</b>	<b>21.1</b>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	11	0.0	0.0
Accumulated losses	12	(11.0)	(8.4)
<b>Total equity</b>		<b>(11.0)</b>	<b>(8.4)</b>
<b>Total equity and liabilities</b>		<b>4.9</b>	<b>12.7</b>

The notes on pages 15 to 24 are an integral part of these financial statements.

The financial statements on pages 11 to 24 including the accompanying notes were approved by the Board of Directors on 23 June 2022 and were signed on its behalf by:



**Nigel Railton**  
Director

**Camelot Business Solutions Limited**  
Registered Number 07553982

**Camelot Business Solutions Limited**

**Statement of Changes in Equity**  
for the year ended 31 March 2022

	Share capital	Accumulated losses	Total equity
	£m	£m	£m
<b>Balance as at 1 April 2020</b>	0.0	(8.4)	(8.4)
<b>Comprehensive income</b>			
Result for the financial year	-	-	-
<b>Total Comprehensive Income</b>	-	-	-
<b>Balance as at 31 March 2021</b>	0.0	(8.4)	(8.4)
<b>Comprehensive loss</b>			
Loss for the financial year	-	(2.6)	(2.6)
<b>Total Comprehensive Loss</b>	-	(2.6)	(2.6)
<b>Balance as at 31 March 2022</b>	0.0	(11.0)	(11.0)

The notes on pages 15 to 24 are an integral part of these financial statements.

**Camelot Business Solutions Limited**

**Statement of Cash Flows**

for the year ended 31 March 2022

	Note	2022 £m	2021 £m
<b>Cash flows from operating activities</b>			
Cash used in operations	13	(1.6)	(3.3)
Group relief receipts		0.2	2.5
<b>Net cash used in operating activities</b>		<b>(1.4)</b>	<b>(0.8)</b>
<b>Cash flows from financing activities</b>			
(Repayment of) / proceeds from intercompany borrowings		(8.1)	9.4
<b>Net cash (used in) / generated from financing activities</b>		<b>(8.1)</b>	<b>9.4</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(9.5)</b>	<b>8.6</b>
Cash and cash equivalents at the beginning of the year		12.7	4.1
<b>Cash and cash equivalents at the end of the year</b>		<b>3.2</b>	<b>12.7</b>

The notes on pages 15 to 24 are an integral part of these financial statements.

## **Camelot Business Solutions Limited**

### **Notes to the Financial Statements**

#### **1. General information**

The Company is a private limited company, limited by shares and is incorporated and domiciled in England & Wales, UK. The address of its registered office is Camelot Business Solutions Limited, Magdalen House, Tolpits Lane, Watford, Hertfordshire, WD18 9RN, United Kingdom.

Its immediate parent is Premier Lotteries UK Limited (PLUK), a subsidiary of Premier Lotteries Capital UK Limited (PLCUK), itself a subsidiary of Premier Lotteries Investments UK Limited (PLIUK). PLUK is the parent undertaking of the smallest group to consolidate these financial statements reporting in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. PLIUK is the parent undertaking of the largest group to consolidate these financial statements reporting in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements of PLIUK are available from 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 2022 are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

##### **a) Basis of preparation**

The financial statements of the Company have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial statements have been prepared under the historical cost convention. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future based on the letter of support received from PLUK, as mentioned in the Directors' Report. The Company therefore continues to adopt the going concern basis in preparing its financial statements. Further information on the Company's financial risk management is given in note 9.

The Company's accounting policies were selected by management considering all applicable international accounting standards by 31 March 2022.

##### **i) Adoption of new and revised standards in 2022:**

There were no new accounting standards, or amendments to accounting standards that are effective for the year ended 31 March 2022, having a material impact on the Company.

##### **ii) New standards, amendments and interpretations not yet adopted:**

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2022. The Company has not early-adopted any standard, amendment or interpretation in the year. The directors are currently evaluating the impact of these new standards on the financial statements but their adoption is not expected to have a material impact on the annual financial statements, and they will be planned for adoption in line with when they are effective. The new standards, amendments and interpretations are:

- A number of narrow scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (effective for 31 March 2023 year end).
- Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities (effective for 31 March 2025 year end).
- Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 (effective for 31 March 2024 year end).
- Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction (Effective for March 2024 year end).

##### **b) Critical accounting estimates and judgements**

There are no critical areas of accounting estimates and judgements.

## **Camelot Business Solutions Limited**

### **Notes to the Financial Statements (continued)**

#### **2. Summary of significant accounting policies (continued)**

##### **c) Revenue recognition**

In the current year, the Company has generated revenue from business development activities, providing services to CUKL. Revenue is recognised over time on a cost incurred basis.

In the event that CUKL is successful in its legal challenge and is awarded the fourth National Lottery licence, the Company will be reimbursed by CUKL for all the general business development activities undertaken prior to 1 April 2020. The consideration attributable is £13.6m and is not recognised as revenue in the Company's financial statements as it is not highly probable.

##### **d) Administrative expenditure**

All administrative expenses are recorded on a Company's income statement as expenses in the period in which they are incurred on an accruals basis.

##### **e) 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. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

##### **f) 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.

##### **g) 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 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 amount 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 income tax assets are recognised to the extent that it is probable that future taxable profits will give rise to a tax liability against which the asset can be offset. Current income tax assets and liabilities are presented separately on the face of the Balance Sheet.

##### **h) Cash and cash equivalents**

For the purpose of preparation of the Statement of Cash Flows, cash and cash equivalents includes cash at bank.

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 and are classified as cash and cash equivalents for the purposes of the Statement of Cash Flows.

##### **i) Financial instruments**

Exposure to credit, interest rate, liquidity and capital 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 9.



## Camelot Business Solutions Limited

### Notes to the Financial Statements (continued)

#### 2. Summary of significant accounting policies (continued)

##### j) Financial liabilities

The intercompany balance with the Company's parent, PLUK is recorded in current financial liabilities as the loan is repayable on demand.

##### k) Value added tax

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

##### 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.

#### 3. Revenue

Revenue is derived from actual costs relating to business development activities which were recharged to CUKL.

	2022 £m	2021 £m
Group recharge income	18.4	12.7

#### 4. Operating loss

	2022 £m	2021 £m
<b>Operating loss is stated after charging:</b>		
Consultancy Services	7.3	5.7
Recharge rentals payable to fellow Group companies	0.5	0.5

Audit fees (inclusive of VAT) were £20,400 and the costs were borne by PLUK (2021: £18,000 (inclusive of VAT)).

**Camelot Business Solutions Limited**

**Notes to the Financial Statements (continued)**

**5. Employee expenses and numbers**

**Employee expenses (including directors' emoluments)**

	<b>2022 £m</b>	<b>2021 £m</b>
Wages and salaries	<b>5.7</b>	3.6
Social security costs	<b>0.7</b>	0.5
Other pension costs	<b>0.4</b>	0.3
<b>Total</b>	<b>6.8</b>	4.4

**Monthly average number of employees**

	<b>2022 Number</b>	<b>2021 Number</b>
Finance, administration and other	<b>47</b>	30
<b>Total</b>	<b>47</b>	30

The Company does not operate a pension scheme; the employees were members of a Group Personal Pension Plan and the Company has made employer's contributions to this scheme.

All other staff costs were recharged by another Group entity.

The remuneration of the UK Executive Board and of key management personnel is disclosed in the financial statements of the Group company that employs those individuals. In 2022 all members of the UK Executive Board and key management personnel were employed and remunerated by CUKL.

**Directors' emoluments**

	<b>2022 £m</b>	<b>2021 £m</b>
Salaries and other employee benefits	<b>0.1</b>	0.1
Payments to past directors	<b>1.0</b>	0.8
<b>Total</b>	<b>1.1</b>	0.9

Payments to past directors are amounts paid to Dianne Thompson.

At the end of the financial year, there were no directors (2021: none) which were members of the Group Personal Pension Plan (a defined contribution pension scheme). The Company made nil contributions to the pension scheme for directors in the current year.

A Long Term Incentive Plan (LTIP) has been in place since 2009 and runs through to 2024. Both short term and long term incentive plans follow industry best practice with stretching targets and measurable performance.

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

**Camelot Business Solutions Limited**

**Notes to the Financial Statements (continued)**

**6. Income tax expense/(credit)**

**a) UK corporation tax**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
Current taxation on income for the year	<b>(0.1)</b>	<b>(0.2)</b>
Prior year adjustments	<b>2.7</b>	<b>-</b>
<b>Total taxation expense/(credit)</b>	<b>2.6</b>	<b>(0.2)</b>

The prior year adjustment primarily relates to intragroup charges to Camelot UK Lotteries Limited, which are now being claimed by Camelot UK Lotteries Limited and settled through group relief.

The rate of UK corporation tax reflected in these financial statements is 19.0% (2021: 19.0%). In the Spring Budget 2021, the government announced that, from 1 April 2023, the corporation tax rate would increase to 25.0% (rather than the current rate of 19.0%, as previously enacted following the Spring Budget 2020). This new law was substantively enacted on 24 May 2021. As the proposal to increase the rate to 25.0% has been substantively enacted at the Balance Sheet date, its effects will be included in these financial statements for deferred tax purposes. We have calculated the deferred tax impact on temporary differences unwinding within 12 months at 19.0% and those that will unwind more than 12 months later at 25.0%. All taxable temporary differences have been recognised and are reflected in the deferred taxation balance.

**b) Reconciliation of tax expense**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
Result/(loss) before income tax	<b>-</b>	<b>(0.2)</b>
Income tax on result/(loss) before income tax at the standard rate of 19.0% (2021: 19.0%)	<b>-</b>	<b>-</b>
<b>Factors affecting charge/(credit):</b>		
Non-taxable expenses	<b>(0.1)</b>	<b>(0.2)</b>
Prior year adjustments	<b>2.7</b>	<b>-</b>
<b>Total taxation expense/(credit)</b>	<b>2.6</b>	<b>(0.2)</b>

**Camelot Business Solutions Limited**

**Notes to the Financial Statements (continued)**

**7. Trade and other receivables**

	<b>2022 £m</b>	<b>2021 £m</b>
Amounts due from Group companies	<b>1.7</b>	<b>-</b>
<b>Total</b>	<b>1.7</b>	<b>-</b>

Amounts due from Group companies were unsecured, interest free and repayable on demand.

**8. Trade and other payables**

	<b>2022 £m</b>	<b>2021 £m</b>
Trade creditors	<b>0.3</b>	<b>0.4</b>
Accruals	<b>2.0</b>	<b>1.3</b>
Amounts due to Group companies	<b>5.0</b>	<b>2.7</b>
<b>Total</b>	<b>7.3</b>	<b>4.4</b>

Amounts due to Group companies are unsecured, interest free and repayable on demand.

## Camelot Business Solutions Limited

### Notes to the Financial Statements (continued)

#### 9. Financial risk management

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

##### a) Credit risk

All transactions that would arise within Receivable balances are with the Company's fellow subsidiaries and therefore credit risk is deemed to be negligible.

##### b) Interest rate risk

During the year to 31 March 2022, the Company's immediate parent undertaking, PLUK had in place a £5,000,000 syndicated Revolving Credit Facility agreement as part of a wider financing arrangement for the Premier Lotteries Group in the UK. The Company is entitled to borrow funds under this Revolving Credit Facility. The facility was extended in March 2021 and further extended in March 2022 and is available to the Company until 30 April 2023. Interest is payable on borrowings under the Revolving Credit Facility at a margin which depends on the PLUK group's leverage (currently SONIA plus 1.5%), exposing the Company to interest rate risk to the extent it borrows. During the year to 31 March 2022 the Company had utilised £50,000 (2021: £50,000) of this facility to support the issuance of a bank guarantee in respect of overseas tax obligations of Camelot Global Lottery Solutions Limited (CGLSL).

The intercompany balance with the Company's parent, PLUK is classified within financial liabilities. The loan is interest free and therefore the Company has no exposure to changes in interest rates.

##### c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and funding from the parent company, PLUK. Regular review of cash flow forecasts, strategic plans and budgets guide the consideration of the adequacy of these facilities and determine the potential draw down of funds.

The Company has access to the Revolving Credit Facility described above. As a precaution during the height of the COVID-19 pandemic, in order to ensure the wider PLUK group had unfettered access to the liquidity provided by the Revolving Credit Facility, a portion of that facility was drawn down by CGLSL during the year ended 31 March 2020. In addition to the £50,000 noted above, the amount drawn by CGLSL at 31 March 2022 was £nil (2021: £2.0m).

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's primary source of funding is from its parent company, PLUK.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed are contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Mature in less than 1 year	Mature between 1 and 2 years	Mature between 2 and 5 years	Mature in greater than 5 years
	£m	£m	£m	£m
<b>At 31 March 2021</b>				
Trade and other payables	4.4	-	-	-
Financial liabilities	16.7	-	-	-
<b>At 31 March 2022</b>				
Trade and other payables	7.3	-	-	-
Financial liabilities	8.6	-	-	-

## Notes to the Financial Statements (continued)

### 9. Financial risk management (continued)

#### d) Capital risk

The Company defines capital as total equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits to other stakeholders. The Company has had access to substantial borrowing capacity during the year through its parent company PLUK, who has issued a letter of support to the Company.

#### e) Financial assets and liabilities at amortised cost

The total carrying amount of Financial assets at amortised cost is £4.9m (2021: £12.7m), comprising Cash and cash and equivalents of £3.2m (2021: £12.7m), plus the Trade and other receivables (excluding prepayments) of £1.7m (2021: £nil).

The total carrying amount of Financial liabilities at amortised cost is £15.9m (2021: £21.1m), comprising Trade and other payables of £7.3m (2021: £4.4m), plus financial liabilities of £8.6m (2021: £16.7m).

### 10. Financial liabilities

	2022 £m	2021 £m
Intercompany loan	8.6	16.7
<b>At 31 March</b>	<b>8.6</b>	<b>16.7</b>

The amount due for the intercompany loan is unsecured, interest free and repayable on demand.

#### Changes in liabilities arising from financing activities

	2022 £m	2021 £m
<b>At the beginning of the year</b>	<b>16.7</b>	<b>-</b>
<b>Non-cash movement:</b>		
Reclassification of intercompany balance	-	7.3
<b>Cash movement:</b>		
Capital advances received in the year	-	9.4
Repayment of intercompany loan	(8.1)	-
<b>At 31 March</b>	<b>8.6</b>	<b>16.7</b>

In the prior year, the intercompany balance with the Company's parent, PLUK, was reclassified from Trade and other payables to Financial liabilities. A partial repayment of £8.1m of the loan was made during the year. The loan has been set up to assist with the Company's business development activities. The loan is unsecured, interest free and repayable on demand.

**Camelot Business Solutions Limited**

**Notes to the Financial Statements (continued)**

**11. Share capital**

**a) Authorised share capital**

	2022 £	2021 £
1,000 (2021: 1,000) ordinary shares of £1 each	1,000	1,000

**b) Allotted and issued share capital**

	2022 £	2021 £
1 (2021: 1) ordinary share of £1	1	1

The Company's immediate parent is PLUK, a subsidiary of Teachers'.

The holders of ordinary shares are entitled to receive notice of and to attend at general meetings of the Company. Each share carries one vote, and full rights to dividends and capital distributions (including upon winding up).

No dividends were paid to shareholders during the year (2021: £nil).

**12. Accumulated losses**

	2022 £m	2021 £m
At the beginning of the year	(8.4)	(8.4)
(Loss)/result for the financial year	(2.6)	-
<b>At 31 March</b>	<b>(11.0)</b>	<b>(8.4)</b>

**13. Cash used in operations**

	2022 £m	2021 £m
(Loss)/result for the financial year	(2.6)	-
Adjustment for:		
Income tax expense/(credit)	2.6	(0.2)
Changes in working capital:		
Increase in trade and other receivables	(1.7)	-
Increase/(decrease) in trade and other payables	0.1	(3.1)
<b>Cash used in operations</b>	<b>(1.6)</b>	<b>(3.3)</b>

## Camelot Business Solutions Limited

### Notes to the Financial Statements (continued)

#### 14. Financial commitments and contingent liabilities

At the year end, no capital expenditure was contracted for but not yet incurred (2021: £nil). The Company has no significant contingent liabilities (2021: £nil).

#### 15. Related party transactions

The Company transacted with its fellow subsidiary undertakings, CUKL, CGLSL, PLCUK and its parent undertaking, PLUK, during the year.

	2022 Sale of services	2022 Amounts due from related party	2021 Sale of services	2021 Amounts due from related party
	£m	£m	£m	£m
Camelot UK Lotteries Limited	15.2	1.7	13.2	-

	2022 Purchases of services	2022 Amounts due to related party	2021 Purchases of services	2021 Amounts due to related party
	£m	£m	£m	£m
Camelot UK Lotteries Limited	-	2.2	-	2.5
Camelot Global Lottery Solutions Limited	1.7	1.1	0.9	0.2
Premier Lotteries Capital UK Limited	-	1.4	-	-
Premier Lotteries UK Limited	-	8.9*	-	16.7

\* £8.6m is included in the financial liabilities note 10.

Sales/Purchases of services between related parties are stated on an invoice basis.

In addition, £0.2m (2021: £3.0m) was received from Camelot UK Lotteries Limited and £nil (2021: £0.5m) was paid to Premier Lotteries Capital UK Limited in respect of group taxation relief.

#### 16. Ultimate and immediate parent undertakings

The Company's immediate parent is PLUK, a subsidiary of PLCUK, itself a subsidiary of PLIUK. PLUK is the parent undertaking of the smallest group to consolidate these financial statements reporting in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. PLIUK is the parent undertaking of the largest group to consolidate these financial statements reporting in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements of PLUK and PLIUK are available from Magdalen House, Tolpits Lane, Watford, Hertfordshire, WD18 9RN, United Kingdom.

The ultimate parent undertaking and controlling party is Ontario Teachers' Pension Plan Board (Teachers'). The financial statements of Teachers' are publicly available at [www.otpp.com](http://www.otpp.com).

#### 17. Post balance sheet events

On 15 March 2022, the Gambling Commission announced that Allwyn Entertainment Ltd is the Preferred Applicant for the fourth licence to operate The National Lottery and CUKL was given Reserve Applicant status. In April 2022, CUKL launched a legal challenge in its capacity as an applicant for the fourth licence. This legal challenge is ongoing through the UK Courts and the outcome is unknown at the time of approval of the financial statements. The Company continues to provide services to CUKL to support activity in relation to the fourth licence.



**Camelot Business Solutions Limited**

**Company Addresses**

**Head Office**

Magdalen House  
Tolpits Lane  
Watford  
Hertfordshire  
WD18 9RN  
United Kingdom  
[www.camelotgroup.co.uk](http://www.camelotgroup.co.uk)  
01923 425 000

**Registered office**

Magdalen House  
Tolpits Lane  
Watford  
Hertfordshire  
WD18 9RN  
United Kingdom

Registered in England and Wales  
No. 07553982

**Independent auditors**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH  
United Kingdom

**Bankers**

The Royal Bank of Scotland Plc  
250 Bishopsgate  
London  
EC2M 4AA  
United Kingdom