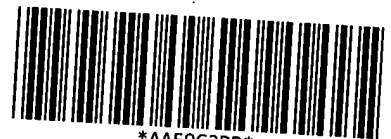


Company Number: 07553982

Camelot Business Solutions Limited

**Annual Report and financial statements for the year
ended 31 March 2021**

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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 2021.

Principal activities

The Company's principal activity is business development. From 1 April 2020, the Company has provided service to a fellow group entity, Camelot UK Lotteries Limited ('CUKL'), to prepare a bid for the Fourth National Lottery Licence, on behalf of CUKL.

Risks, uncertainties and opportunities

The risks involved in business development activities are seen as primarily cash flow related and this is discussed in note 10.

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.

Results

The result for the financial year amounted to £nil (2020: loss of £8.9m) as costs associated with business development activity, primarily recharged staff costs, property costs and consultancy were fully recharged to CUKL as the Company provided service to CUKL from 1 April 2020. The Company's parent, PLUK provided funding in the form of a loan to assist with the business development activities.

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 2021 were £12.7m (2020: £4.9m). Total liabilities at 31 March 2021 were £21.1m (2020: £13.3m). Cash balances increased to £12.7m (2020: £4.1m).

On behalf of the Board



Nick Jansa
Director
29 July 2021

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 2021.

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

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 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 of these 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 2021 and its projected cash flows, liquidity, borrowing facility and expected operational activities including the expected impact of COVID-19 on the Company for the 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 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 considers 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 18 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 10.

Share capital and dividends

One share is allotted of the authorised share capital of 1,000 (2020: 1,000) shares of £1 each. No final dividend has been proposed (2020: £nil).

Donations

During the year no political donations were made (2020: £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 international accounting standards in conformity with the requirements of the Companies Act 2006.

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 international accounting standards in conformity with the requirements of the Companies Act 2006 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 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.

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.

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

A handwritten signature in black ink, appearing to read 'Jansa', with a stylized flourish extending to the left.

Nick Jansa
Director
29 July 2021

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 2021 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; 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 2021; 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 2021 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.

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.

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 (continued)

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 and potential management bias in accounting estimates. 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;
- Challenging assumptions and judgments made by management in significant accounting estimates, 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. 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.

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
30 July 2021

Camelot Business Solutions Limited

Statement of Comprehensive Income
for the year ended 31 March 2021

	Note	2021 £m	2020 £m
Revenue	3	12.7	-
Administrative expenses		(12.9)	(10.8)
Operating loss		(0.2)	(10.8)
Loss before income tax		(0.2)	(10.8)
Income tax credit	6	0.2	1.9
Result/(loss) for the financial year and total comprehensive income/(expense)		-	(8.9)

The results detailed above for 2021 are all derived from continuing operations.

The notes on pages 15 to 25 are an integral part of these financial statements.

Camelot Business Solutions Limited

Balance Sheet

as at 31 March 2021

	Note	2021 £m	2020 £m
ASSETS			
Current assets			
Deferred taxation	6	-	-
Trade and other receivables	7	-	0.8
Cash and cash equivalents		12.7	4.1
		12.7	4.9
Total assets		12.7	4.9
LIABILITIES			
Current liabilities			
Trade and other payables	8	4.4	13.3
Provisions for liabilities and other charges	9	-	-
Financial liabilities	11	16.7	-
		21.1	13.3
Total liabilities		21.1	13.3
EQUITY			
Capital and reserves			
Share capital	12	0.0	0.0
Accumulated losses	13	(8.4)	(8.4)
Total equity		(8.4)	(8.4)
Total equity and liabilities		12.7	4.9

The notes on pages 15 to 25 are an integral part of these financial statements.

The financial statements on pages 11 to 25 including the accompanying notes were approved by the Board of Directors on 29 July 2021 and were signed on its behalf by:



Nick Jansa
Director

Camelot Business Solutions Limited
Registered Number 07553982

Camelot Business Solutions Limited

Statement of Changes in Equity
for the year ended 31 March 2021

	Share capital	Retained earnings/ (accumulated losses)	Total equity
	£m	£m	£m
Balance as at 1 April 2019	0.0	0.5	0.5
Comprehensive expense			
Loss for the financial year	-	(8.9)	(8.9)
Total Comprehensive Expense	-	(8.9)	(8.9)
Balance as at 31 March 2020	0.0	(8.4)	(8.4)
Comprehensive income			
Result for the financial year	-	-	-
Total Comprehensive Income	-	-	-
Balance as at 31 March 2021	0.0	(8.4)	(8.4)

The notes on pages 15 to 25 are an integral part of these financial statements.

Camelot Business Solutions Limited

Statement of Cash Flows
for the year ended 31 March 2021

	Note	2021 £m	2020 £m
Cash flows from operating activities			
Cash used in operations	14	(3.3)	(5.6)
Group relief receipts		2.5	1.3
Net cash used in operating activities		(0.8)	(4.3)
Cash flows from financing activities			
Proceeds from intercompany borrowings		9.4	6.0
Net cash generated from financing activities		9.4	6.0
Net increase in cash and cash equivalents		8.6	1.7
Cash and cash equivalents at the beginning of the year		4.1	2.4
Cash and cash equivalents at the end of the year		12.7	4.1

The notes on pages 15 to 25 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 2021 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 international accounting standards in conformity with the requirements of the Companies Act 2006.

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. The Company therefore continues to adopt the going concern basis in preparing its consolidated financial statements. Further information on the Company's financial risk management is given in note 10.

The Company's accounting policies were selected by management considering all applicable international accounting standards by 31 March 2021.

i) Adoption of new and revised standards in 2021:

There were no new accounting standards, or amendments to accounting standards that are effective for the year ended 31 March 2021, 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 2021. 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:

- Amendments to IAS 1, 'Presentation of financial statements' on classification of liabilities (effective for 31 March 2022 year end).
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, 'Interest Rate Benchmark Reform – Phase 2' (effective for 31 March 2022 year end).

b) Critical accounting assumptions, estimates and judgements

There are no critical areas of accounting assumptions, estimates and judgements.

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, as the Company provided services to CUKL. Revenue is recognised over time on a cost incurred basis.

In the event that CUKL 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. The amount is only payable by CUKL if they succeed in winning the Fourth National Lottery Licence.

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 and in hand,
- Short-term deposits with an original maturity period of three months or less; and
- Certain amounts classified as borrowings, as detailed below.

Bank overdrafts that are an integral part of the Company's cash management are included in cash and cash equivalents where they have a legal right of set-off against positive cash balances. If the cash position after the set-off of the overdrafts amounts to a net overdraft, these amounts are classified as borrowings 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 10.

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 was reclassified from trade and other payables to 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) Provisions

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

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

m) 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.

	2021 £m	2020 £m
Group recharge income	12.7	-

4. Operating loss

	2021 £m	2020 £m
Operating loss is stated after charging:		
Consultancy Services	5.7	6.6
Recharge rentals payable to fellow Group companies	0.5	0.5

Audit fees (inclusive of VAT) were £18,000 and the costs were borne by PLUK (2020: £16,800 (inclusive of VAT)).

Notes to the Financial Statements (continued)

5. Employee expenses and numbers

Employee expenses (including directors' emoluments)

	2021 £m	2020 £m
Wages and salaries	3.6	2.2
Social security costs	0.5	0.3
Other pension costs	0.3	0.2
Total	4.4	2.7

Monthly average number of employees

	2021 Number	2020 Number
Finance, administration and other	30	17
Total	30	17

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 2021 all members of the UK Executive Board and key management personnel were employed and remunerated by CUKL.

Directors' emoluments

	2021 £m	2020 £m
Salaries and other employee benefits	0.1	0.1
Payments to past directors	0.8	0.8
Total	0.9	0.9

Payments to past directors are amounts paid to Dianne Thompson.

At the end of the financial year, there were no directors (2020: none) which were members of the Group Personal Pension Plan (a defined contribution pension scheme). The Company made nil contributions to the pension scheme 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.

Notes to the Financial Statements (continued)

6. Income tax credit and deferred taxation

a) UK corporation tax

	2021 £m	2020 £m
Current taxation credit for the year	(0.2)	(2.0)
Total current tax credit	(0.2)	(2.0)
Deferred taxation charge for the year	-	0.1
Deferred taxation charge for the year	-	0.1
Total taxation credit	(0.2)	(1.9)

The rate of UK corporation tax reflected in these financial statements is 19% (2020: 19%). In the Spring Budget 2021, the government announced that, from 1 April 2023, the corporation tax rate would increase to 25% (rather than the current rate of 19%, as previously enacted following the Spring Budget 2020). This new law was not substantively enacted by 31 March 2021. As the proposal to increase the rate to 25% has not been substantively enacted at the Balance Sheet date, its effects are not included in these financial statements for deferred tax purposes. However, it is likely that the overall effect of the change, had it been substantively enacted by the Balance Sheet date, would be immaterial to the tax expense and the deferred tax in the year. All taxable temporary differences have been recognised and are reflected in the deferred taxation balance.

b) Reconciliation of tax credit

	2021 £m	2020 £m
Loss before income tax	(0.2)	(10.8)
Income tax on result/(loss) before income tax at the standard rate of 19% (2020: 19%)	-	(2.0)
Factors affecting (credit)/charge:		
Non-taxable expenses	(0.2)	0.1
Total taxation credit	(0.2)	(1.9)

Notes to the Financial Statements (continued)

6. Income tax credit and deferred taxation (continued)

c) Deferred taxation

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets with current taxation liabilities. There were no deferred tax assets or liabilities at 31 March 2021 or at 31 March 2020.

There are no unrecognised deferred tax assets on losses as the current year tax credit of £0.2m (2020: £1.9m) has been surrendered to CUKL for group relief with payment for the loss at par.

The gross movement on deferred tax is as follows:

	Provisions and accruals	Total
	£m	£m
At 1 April 2019	0.1	0.1
Credit to the Statement of Comprehensive Income		
- current year movement	(0.1)	(0.1)
At 31 March 2020	-	-

	Provisions and accruals	Total
	£m	£m
At 1 April 2020	-	-
At 31 March 2021	-	-

The deferred tax assets arose on temporary differences arising on provisions.

Notes to the Financial Statements (continued)

7. Trade and other receivables

	2021 £m	2020 £m
Prepayments	-	-
Amounts due from Group companies	-	0.8
Total	-	0.8

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

8. Trade and other payables

	2021 £m	2020 £m
Trade creditors	0.4	0.7
Accruals	1.3	1.0
Amounts due to Group companies	2.7	11.6
Total	4.4	13.3

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

9. Provisions for liabilities and other charges

	Legal £m	Total £m
At 1 April 2019	0.5	0.5
Transferred to a fellow group company	(0.5)	(0.5)
At 31 March 2020	-	-
	Legal £m	Total £m
At 1 April 2020	-	-
At 31 March 2021	-	-

The legal provision was transferred to CUKL in the previous financial year. The legal provision related to costs in respect of open legal cases.

Notes to the Financial Statements (continued)

10. 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 2021, 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 is available to the Company until 31 October 2022. Interest is payable on borrowings under the Revolving Credit Facility at a margin which depends on the PLUK group's leverage (currently LIBOR plus 1.5%), exposing the Company to interest rate risk to the extent it borrows. During the year to 31 March 2021 the Company had utilised £50,000 (2020: £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.

During the year, an existing intercompany balance with the Company's parent, PLUK was reclassified as 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 although, in order to ensure the wider PLUK group had unfettered access to the liquidity provided by the Revolving Credit Facility, £2,000,000 (2020: £4,950,000) was drawn (and held on deposit) by CBSL's sister company, CGLSL.

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
At 31 March 2020				
Trade and other payables	13.3	-	-	-
At 31 March 2021				
Trade and other payables	4.4	-	-	-
Financial liabilities	16.7	-	-	-

Notes to the Financial Statements (continued)

10. Financial risk management (continued)

d) Capital risk

The Company has had access, through its parent company PLUK, to substantial borrowing capacity during the year. The Company manages its capital to ensure that it will be able to continue in operational existence as a going concern.

e) Financial assets and liabilities at amortised cost

The total carrying amount of Financial assets at amortised cost is £12.7m (2020: £4.9m), comprising Cash and cash and equivalents of £12.7m (2020: £4.1m), plus the Trade and other receivables (excluding prepayments) of £nil (2020: £0.8m).

The total carrying amount of Financial liabilities at amortised cost is £21.1m (2020: £13.3m), comprising Trade and other payables of £4.4m (2020: £13.3m), plus financial liabilities of £16.7m (2020: £nil).

11. Financial liabilities

	2021 £m	2020 £m
Intercompany loan	16.7	-
At 31 March	16.7	-

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

Changes in liabilities arising from financing activities

	2021 £m	2020 £m
At the beginning of the year	-	-
Non-cash movement:		
Reclassification of intercompany balance	7.3	-
Cash movement:		
Capital advances received in the year	9.4	-
At 31 March	16.7	-

During the year, an existing intercompany balance with the Company's parent, PLUK, was reclassified from trade and other payables to financial liabilities. Further advances of £9.4m were received 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.

Notes to the Financial Statements (continued)

12. Share capital

a) Authorised share capital

	2021 £	2020 £
1,000 ordinary shares of £1 each	1,000	1,000

b) Allotted and issued share capital

	2021 £	2020 £
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 (2020: £nil).

13. Accumulated losses

	2021 £m	2020 £m
At the beginning of the year	(8.4)	0.5
Result/(loss) for the financial year	-	(8.9)
At 31 March	(8.4)	(8.4)

14. Cash used in operations

	2021 £m	2020 £m
Result/(loss) for the financial year	-	(8.9)
Adjustment for:		
Income tax credit	(0.2)	(1.9)
Changes in working capital:		
Decrease in trade and other receivables	-	32.5
Decrease in trade and other payables	(3.1)	(26.8)
Decrease in provisions for liabilities and other charges	-	(0.5)
	(3.1)	5.2
Cash used in operations	(3.3)	(5.6)

Camelot Business Solutions Limited

Notes to the Financial Statements (continued)

15. Financial commitments and contingent liabilities

At the year end, no capital expenditure was contracted for but not yet incurred (2020: £nil). The Company has no significant contingent liabilities (2020: £nil).

16. Related party transactions

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

	2021 Sale of services £m	2021 Amounts due from related party £m	2020 Sale of services £m	2020 Amounts due from related party £m
Camelot UK Lotteries Limited	13.2	-	-	0.8

	2021 Purchases of Services £m	2021 Amounts due to related party £m	2020 Purchases of Services £m	2020 Amounts due to related party £m
Camelot UK Lotteries Limited	-	2.5	-	1.9
Camelot Global Lottery Solutions Limited	0.9	0.2	0.1	-
Premier Lotteries Capital UK Limited	-	-	-	2.4
Premier Lotteries UK Limited	-	16.7*	-	7.3

* £16.7m is included in the financial liabilities note 11.

In addition, £3.0m (2020: £1.3m) was paid by Camelot UK Lotteries Limited and £0.5m (2020: £nil) was paid to Premier Lotteries Capital UK Limited in respect of group taxation relief.

17. 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 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.

18. Post balance sheet events

On 30 April 2021, the Company made an intercompany loan repayment of £8.2m to PLUK.

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