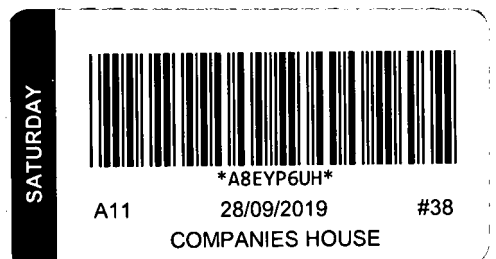


**CENTURY CASINO BATH LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2018**



**CENTURY CASINO BATH LIMITED**  
**REGISTERED NUMBER: 09672944**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**


	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	6,499,892	1,677,193
		<u>6,499,892</u>	<u>1,677,193</u>
<b>Current assets</b>			
Stocks		34,650	-
Debtors: amounts falling due within one year	5	735,184	419,473
Cash at bank and in hand	6	515,484	3,647,553
		<u>1,285,318</u>	<u>4,067,026</u>
Creditors: amounts falling due within one year	7	(1,409,109)	(949,844)
<b>Net current (liabilities)/assets</b>		<u>(123,791)</u>	<u>3,117,182</u>
<b>Total assets less current liabilities</b>		<u>6,376,101</u>	<u>4,794,375</u>
Creditors: amounts falling due after more than one year	8	(8,860,162)	(4,959,258)
<b>Net liabilities</b>		<u>(2,484,061)</u>	<u>(164,883)</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		(2,484,161)	(164,983)
		<u>(2,484,061)</u>	<u>(164,883)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**N Strohnriegel**  
 Director

Date: September 27, 2019

The notes on pages 2 to 9 form part of these financial statements.

# **CENTURY CASINO BATH LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

### **1. General information**

The company is a limited liability company incorporated in England and Wales. The registered office and principal place of business is Century Casino Bath, Saw Close, Bath, BA1 1EY.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The accounts have been prepared on a going concern basis because the company can expect ongoing group support from its parent company. The company has essentially only liabilities to the parent company and no material external liabilities.

#### **2.3 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

## **CENTURY CASINO BATH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.4 Revenue**

###### **Gaming**

The majority of the Company's revenue is derived from gaming transactions involving wagers wherein, upon settlement, the Company either retains the customer's wager, or returns the wager to the customer. Gaming revenue is reported as the net difference between wins and losses. Gaming revenue is reduced by the incremental amount of unpaid progressive jackpots in the period during which the jackpot increases and the value of points earned through tracked play. Performance obligations are satisfied upon completion of the wager with liabilities recognised for points earned through play. The Company does not extend lines of credit to customers.

Food and beverage furnished without charge, coupons and downloadable credits provided to customers to entice play are considered marketing incentives to induce play and are presented as a reduction to gaming revenue at the retail value on the date of redemption. Members of the Company's casino player clubs earn points based on, among other things, their volume of play at the Company's casino. Players can accumulate points over time that they may redeem at their discretion under the terms of the program. The value of the points is offset against the revenue in the period in which the points were earned. The Company records a liability based on the redemption value of the points earned with an estimate for breakage, and records a corresponding reduction in gaming revenue. The value of unused or unredeemed points is included in accrued liabilities on the Company's balance sheet.

###### **Food and beverage income**

Revenue from food and beverage sales is recognised as the service is provided.

##### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.6 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### **2.7 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.8 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

## **CENTURY CASINO BATH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.9 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **2.11 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## **CENTURY CASINO BATH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.11 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Short-term leasehold property	- 39 years
Plant and machinery	- 5-7 years
Fixtures and fittings	- 5-7 years
Computer equipment	- 5-7 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

##### **2.12 Stocks**

Inventories, which consist primarily of food, beverage, retail merchandise and operating supplies, are stated at the lower of cost or net realisable value. Cost is determined by the first-in, first-out method.

##### **2.13 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.14 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## CENTURY CASINO BATH LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 2. Accounting policies (continued)

##### 2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### 2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

#### 3. Employees

The average monthly number of employees, including directors, during the year was 50 (2017 - 1).

**CENTURY CASINO BATH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**4. Tangible fixed assets**

	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2018	1,677,193				1,677,193
Additions	3,785,341	854,999	425,826	152,842	5,219,008
At 31 December 2018	5,462,534	854,999	425,826	152,842	6,896,201
<b>Depreciation</b>					
Charge for the year on owned assets	143,799	154,037	80,149	18,324	396,309
At 31 December 2018	143,799	154,037	80,149	18,324	396,309
<b>Net book value</b>					
At 31 December 2018	5,318,735	700,962	345,677	134,518	6,499,892
At 31 December 2017	1,677,193				1,677,193

**5. Debtors**

	2018 £	2017 £
Trade debtors	24,060	
Amounts owed by group undertakings	525	
Other debtors	14,200	400,553
Prepayments and accrued income	153,203	
Deferred taxation	543,196	18,920
	735,184	419,473

**6. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	515,484	3,647,553
	515,484	3,647,553



**CENTURY CASINO BATH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**7. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>400,000</b>	100,000
Trade creditors	<b>98,141</b>	669,778
Amounts owed to group undertakings	<b>368,433</b>	158,118
Other taxation and social security	<b>162,106</b>	-
Other creditors	<b>352,429</b>	-
Accruals and deferred income	<b>28,000</b>	21,948
	<b><u>1,409,109</u></b>	<b><u>949,844</u></b>

**8. Creditors: Amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>1,500,000</b>	1,900,000
Amounts owed to group undertakings	<b>6,863,134</b>	2,953,534
Other creditors	<b>497,028</b>	105,724
	<b><u>8,860,162</u></b>	<b><u>4,959,258</u></b>

**9. Loans**

Analysis of the maturity of loans is given below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Bank loans	<b>400,000</b>	100,000
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>400,000</b>	400,000
<b>Amounts falling due 2-5 years</b>		
Bank loans	<b>1,100,000</b>	1,200,000
<b>Amounts falling due after more than 5 years</b>		
Bank loans	<b>-</b>	300,000
	<b><u>1,900,000</u></b>	<b><u>2,000,000</u></b>

**CENTURY CASINO BATH LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**10. Share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
100 (2017 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>


**11. Parent company**

The parent of the smallest group for which consolidated accounts are publically available is that headed by Century Casinos Inc, a company listed on NASDAQ. Copies of the financial statements are available from [www.cnty.com](http://www.cnty.com).

**12. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on <sup>27/9/19</sup> by Catherine Edwards BSc ACA (Senior Statutory Auditor) on behalf of Richardson Swift Audit Limited.

  
September 27, 2019