

# **Annual Report and Financial Statements**

*Birchgree Limited*

**For the year ended 31 December 2019**

**BIRCHGREE LIMITED**  
(Company No. 1566128)

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**DIRECTORS AND ADVISORS**

**DIRECTORS**

S Smith  
C Sutters

**COMPANY SECRETARY**

Ladbrokes Coral Corporate Secretaries Limited

**INDEPENDENT AUDITOR**

KPMG LLP  
Chartered Accountants and Statutory Auditor  
15 Canada Square  
London  
E14 5GL

**REGISTERED OFFICE**

3rd Floor  
One New Change  
London  
EC4M 9AF

## **STRATEGIC REPORT – FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their strategic report for the year ended 31 December 2019.

### **PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS**

The Company and its direct subsidiary undertakings act as investment holding companies for GVC Holdings PLC subsidiaries. There have been no changes in the Company's activities during the year.

The Company's key financial performance indicators during the year were as follows:

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Loss for the financial year	<b>(114,076)</b>	(353,773)
Investments	<b>4,053,589</b>	4,053,589
Amounts owed to group companies	<b>(3,113,668)</b>	(2,999,592)
Total shareholders' funds	<b>939,921</b>	1,053,997

Due to the limited activities undertaken by the Company no other key performance indicators are deemed to be relevant.

### **SECTION 172 STATEMENT**

In performing their duties under the Companies Act 2006 the Board are required to describe how they have had regard to the matters set out in section 172(1)(a) to (f).

When making decisions throughout the year the directors have taken into consideration, and had regard to, the Company's shareholders, stakeholders, business relationships, reputation for high standards, the community and environment and the impact of the Board's decision making on the long term success of the business.

The Company is a wholly owned subsidiary of GVC Holdings PLC and therefore the directors have also considered the wider context in which the Company operates to adhere to the high standards of professionalism, culture, values, ethics, strategy and environmental and social responsibility set by the GVC group.

In discharging their duties under section 172 the directors have access to the full resource, assistance, support and guidance offered by the GVC group and are committed to driving further improvements in shareholder and stakeholder engagement.

The Company has no employees or direct customers.

The 2019 annual report and accounts for GVC Holdings PLC can be found here: <https://gvc-plc.com/wp-content/uploads/2020/04/GVC-2019-Annual-Report-and-Accounts.pdf>

### **PRINCIPAL RISK AND UNCERTAINTIES**

GVC Holdings PLC reviews and evaluates key risks and uncertainties faced by the group as part of the divisional reviews undertaken at its regular board meetings. The impact of risks and uncertainties of the Company is considered as part of this review process.

The Company's principal risks arise from the carrying value of investments, and interest rates, which affect the balances with other group companies and interest due on those balances.

The Company has no other significant risks or uncertainties other than those that arise from being a part of the GVC Holdings PLC. The significant risks or uncertainties, including the Company's exposure to financial risk management and those arising from Brexit are dealt with on pages 60 to 66 presented in the Annual Report 2019 of GVC Holdings PLC.

### **FINANCIAL POSITION**

As at 31 December 2019, the Company had net assets of £939,921,000 (2018: £1,053,997,000).

On behalf of the Board



S Smith  
Director  
30 October 2020

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors of the company who were in office during the year and up to the date of signing were:

Directors:	S Smith C Sutters
Secretary:	Ladbroke's Coral Corporate Secretaries Limited
Registered Office:	3 <sup>rd</sup> Floor, One New Change, London, EC4M 9AF

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The directors present their report and the Company's audited financial statements for the year ended 31 December 2019. Comparative information is presented for the year ended 31 December 2018.

### **Results and dividends**

The financial statements for the year show a loss for the financial year of £114,076,000 (2018: £353,773,000). The directors do not recommend payment of a dividend on ordinary shares (2018: £nil).

### **Financial Risk Management**

The company's exposure to financial risk management is outlined in the Strategic Report.

### **Future developments**

The Company does not anticipate any changes in its activity in the forthcoming year.

### **Going concern**

The directors have performed an assessment of the company's ability to continue as a going concern and have received written confirmation of financial support from the parent company, GVC Holdings PLC, for a period that of at least 12 months from the date of approval of these financial statements by the board of directors. As such, these financial statements have been prepared on the going concern basis.

The Group has assessed the impact of the Covid-19 outbreak on the business and has revised its cash flow forecasts for 2020 and 2021 to take account of the consequent reduction in profits and net cash inflows. The revised forecasts indicate that the group will remain within its present bank facilities and will continue to be able to pay its liabilities as they fall due.

### **Directors' and officers' liability insurance**

GVC Holdings PLC maintains a qualifying (as defined by law) directors' and officers' liability insurance. The above named directors, (except for the corporate directors) have received an indemnity from the group to the extent permitted by law throughout the period and up to the date of signing this report. Neither the indemnity nor the insurance will provide cover in situations where a director has acted fraudulently or dishonestly.

### **Modern Slavery**

GVC Holdings PLC and its global subsidiaries ("The Group") recognise that companies have an obligation to ensure that their business and supporting supply chains are slavery free. The Group's full modern slavery statement can be found at <https://gvc-plc.com/corporate-responsibility/modern-slavery-statement/>.

### **Independent Auditors**

Pursuant to Section 487 of the Companies Act 2006, KPMG LLP will be deemed to be reappointed and will therefore continue in office following a resolution put to the shareholders at the Annual General Meeting.

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

**Statement of directors' responsibilities in relation to the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board



S Smith  
Director

30 October 2020

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRCHGREE LIMITED

## Opinion

We have audited the financial statements of Birchgree Limited (“the company”) for the year ended 31 December 2019 which comprise the Balance Sheet, the Income Statement, the Statement of Changes in Equity and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the company’s affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of assets, and related disclosures, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company’s future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company’s future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors’ conclusions, we considered the inherent risks to the company’s business model, including the impact of Brexit, and analysed how those risks might affect the company’s financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor’s report is not a guarantee that the company will continue in operation.

### Strategic report and directors’ report

The directors are responsible for the strategic report and the directors’ report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors’ report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIRCHGREE LIMITED (CONTINUED)

## Strategic report and directors' report (continued)

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

## Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## The purpose of our audit work and to whom we owe our responsibilities

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



**Mark Flanagan (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

KPMG LLP

St Nicholas House

Park Row

Nottingham

NG1 6FQ

5 November 2020

**INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £'000	2018 £'000
Income from investments		-	1,037,890
Impairment of investments	9	-	(1,297,042)
Interest payable and similar charges	6	<u>(114,076)</u>	<u>(94,622)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>	5	<b>(114,076)</b>	<b>(353,774)</b>
Taxation	8	<u>-</u>	<u>-</u>
<b>Profit/(loss) for the financial year</b>		<b><u>(114,076)</u></b>	<b><u>(353,774)</u></b>

All items dealt with in arriving at the loss on ordinary activities before taxation relate to continuing operations.

There are no items of other comprehensive expense in the period presented. Therefore, no separate statement of other comprehensive income has been prepared.

The notes on pages 10 to 16 form an integral part of these financial statements.

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**BALANCE SHEET AT 31 DECEMBER 2019**

	Note	2019 £'000	2018 £'000
<b>Fixed assets</b>			
Investments	9	<u>4,053,589</u>	<u>4,053,589</u>
<b>Current liabilities</b>			
Trade and other payables	10	<u>(3,113,668)</u>	<u>(2,999,592)</u>
<b>Net assets</b>		<u>939,921</u>	<u>1,053,997</u>
<b>Capital and reserves</b>			
Called up share capital	11	-	-
Retained earnings		<u>939,921</u>	<u>1,053,997</u>
<b>Total shareholders' funds</b>		<u>939,921</u>	<u>1,053,997</u>

The financial statements on pages 7 to 16 were approved by the board of directors on 30 October 2020 and were signed on its behalf by:



.....  
S Smith  
Director

30 October 2020

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Issued share capital</b>	<b>Retained earnings</b>	<b>Total shareholders' funds</b>
	£'000	£'000	£'000
<b>As at 1 January 2018</b>	-	<b>1,407,770</b>	<b>1,407,770</b>
Loss for the financial year	-	(353,773)	(353,773)
<b>At 31 December 2018</b>	-	<b>1,053,997</b>	<b>1,053,997</b>
Profit for the financial year	-	(114,076)	(114,076)
<b>At 31 December 2019</b>	-	<b>939,921</b>	<b>939,921</b>

The notes on pages 10 to16 form an integral part of these financial statements.

## **Notes to the financial statements for the year ended 31 December 2019**

### **1. Corporate information**

Birchgree Limited ('the Company') is a private company limited by share capital incorporated and domiciled in England and Wales within the United Kingdom. The address of its registered office and principal place of business is disclosed in the Directors' Report.

The financial statements of the Company for the year ended 31 December 2019 were authorised to issue in accordance with a resolution of the directors.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated. The Company's financial statements are individual entity financial statements.

### **2. Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and Companies Act 2006 as applicable to companies using FRS 101. The financial statements are prepared on a going concern basis under the historical cost convention.

The accounting policies which follow in note 4 set out those policies which apply in preparing the financial statements for the year ended 31 December 2019. These policies have been applied consistently other than those newly adopted in the year.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- a) IFRS 7 Financial Instruments: Disclosures;
- b) IFRS 13 Fair Value Measurement;
- c) IAS 1 Presentation of Financial Statements
- d) IAS 7 Statement of Cash Flows
- e) IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- f) IAS 24 Related Party Disclosures
- g) IAS 36 Impairment of Assets

### **3. Key judgements and sources of estimation uncertainty**

The preparation of financial statements requires management to make assumptions, estimates and judgements that affect the amounts reported as assets and liabilities as at the balance sheet date and the amounts reported as revenues and expenses during the year. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future may differ from those reported.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The following estimates are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date:

#### **Recoverable amount of non-current assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount.

## **Notes to the financial statements for the year ended 31 December 2019 (continued)**

### **3. Key judgements and sources of estimation uncertainty (continued)**

#### **Recoverable amount of non-current assets (continued)**

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or companies of assets. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

### **4. Summary of significant accounting policies**

#### **4.1 Financial liabilities**

Financial liabilities are classified as financial guarantee contracts or loans and borrowings. The Company determines the classification of financial liabilities at initial recognition. Financial liabilities comprise being amounts owed to group undertakings which are held at amortised cost and financial guarantee contracts.

#### **4.2 Derecognition of financial liabilities**

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

#### **4.3 Finance expenses**

Interest payable is recognised on an accruals basis for interest bearing loans with other group subsidiaries and recognised in the income statement.

#### **4.4 Investments – shares in group undertakings**

Investments in subsidiaries are held at historical cost less any provision for impairment.

An undertaking is regarded as a subsidiary undertaking if the Company has control when it is exposed, or has rights, to variable returns from its involvement with the Company and has the ability to affect those returns through its power over the Company.

#### **4.5 Income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit or loss.
- Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

Income tax is charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are charged or credited directly to equity. Otherwise income tax is recognised in the income statement.

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**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**5. Profit/(loss) on ordinary activities before taxation**

The audit fee for the Company of £1,500 has been borne by another group company (2018: £1,500).

**6. Interest payable and similar charges**

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Interest payable to group undertakings	<b>114,076</b>	94,622

**7. Directors' remuneration**

The directors who have served during the year are also directors of other undertakings within the Group and spend an immaterial amount of their time on activities relating to the company. As such, none of their remuneration is considered to be for qualifying services to the company (2018: £nil).

All operations of the Company are undertaken by employees of other group companies and their respective emoluments have not been included in these financial statements.

**8. Taxation**

**Tax charge in the income statement**

There is no charge or credit for taxation in the current year (2018: £nil).

**Reconciliation of tax charge in the income statement**

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Loss before taxation	<b>(114,076)</b>	(353,773)
Corporation tax credit thereon at 19.00% (2019: 19.00%)	<b>(21,674)</b>	(67,217)
Adjusted for the effects of:		
Non-taxable income	-	(197,199)
Non-deductible expenses	-	246,438
Group relief surrendered to other group companies for nil consideration	<b>21,674</b>	17,978
<b>Current and total tax charge</b>	<b>-</b>	-

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**8. Taxation (continued)**

**Changes in corporation tax**

In the budget on 16 March 2016, the Chancellor announced that the standard rate of UK Corporation Tax will be reduced from 1 April 2020 to 17%. In addition, he announced that the planned reductions in rates would be delayed and amended so that the standard rate of UK Corporation Tax will be reduced from 20% to 19% from 1 April 2019, with a further reduction to 17% from 1 April 2020.

The deferred tax assets and liabilities at the balance sheet date are calculated at the substantively enacted rate of 17%. Although the reduction to 17% is effective from 1 April 2020, this was substantively enacted on 6 September 2016.

In the Budget on 11 March 2020 the Chancellor announced that the standard rate of UK Corporation Tax would increase from the planned 17% rate to 19% on 1 April 2020. This change was enacted on 17 March 2020 and therefore does not impact the rate of 17% used for the year ended 31 December 2019.

**Deferred tax**

There are no unrecognised deferred tax assets or liabilities as at 31 December 2019 and 2018.

**9. Investments**

	<b>£'000</b>
<b>Cost</b>	
<b>At 1 January and 31 December 2019</b>	<u><u>6,023,831</u></u>
<b>Impairment provision</b>	
<b>At 1 January and 31 December 2019</b>	<u><u>(1,970,242)</u></u>
<b>Net book value</b>	
<b>At 31 December 2018 and 2019</b>	<u><u>4,053,589</u></u>

An impairment loss is recognized for any amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use where the investment is considered a single cash generating unit.

The expected cash flows generated by the assets are discounted using appropriate discount rates that reflect the time value of money and risks associate with the group of assets.

The pre-tax discount rate applied to cash flow projections for the investments held was 9.7%. The discount rate calculation is based on the specific circumstances with reference to the WACC expected in the industry for which the Company operates.

The Company is exempt from preparing consolidated financial statements under section 400 of the Companies Act 2006. In the opinion of the directors, the value of the subsidiary companies is not less than the amount at which they are stated in the financial statements.

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**9. Investments (continued)**

**Subsidiaries based in the United Kingdom**

Registered address	Company	% equity interest	
		2019	2019
3rd Floor	Bartletts Limited	100.0	100.0
One New Change, London, United Kingdom, EC4M 9AF	Chequered Racing Limited	100.0	100.0
	E.F. Politt & Son Limited	100.0	100.0
	Ganton House Investments Limited	100.0	100.0
	Greatmark Limited	100.0	100.0
	Jack Brown (Bookmaker) Limited	100.0	100.0
	Krullind Limited	100.0	100.0
	Ladbroke & Co., Limited	100.0	100.0
	Ladbroke (Course) Limited	100.0	100.0
	Ladbroke City & County Land Company Limited	100.0	100.0
	Ladbroke Group	100.0	100.0
	Ladbroke Group International	100.0	100.0
	Ladbrokes Group Holdings Limited	100.0	100.0
	Ladbrokes Investment Holdings Limited	57.4	57.4
	Ladbroke Leasing (South East) Limited	100.0	100.0
	Ladbroke Racing (Reading) Limited	100.0	100.0
	Ladbroke Racing (South East) Limited	100.0	100.0
	Ladbroke US Investments Limited	100.0	100.0
	Ladbrokes (CLJEA) Limited	100.0	100.0
	Ladbrokes (CLJHC) Limited	100.0	100.0
	Ladbrokes (CLJSW) Limited	100.0	100.0
	Ladbrokes Betting & Gaming Limited	100.0	100.0
	Ladbrokes Contact Centre Limited	100.0	100.0
	Ladbrokes CPCB Limited	100.0	100.0
	Ladbrokes PT Limited	100.0	100.0
	Maple Court Investments Limited	100.0	100.0
	Margolis and Ridley Limited	100.0	100.0
	Sabrinet Limited	100.0	100.0
	Sponsio Limited	100.0	100.0
	Travel Document Service	100.0	100.0
	Ventmear Limited	100.0	100.0
	Arthur Prince (Turf Accountants) Limited	100.0	100.0
	Bloxhams Bookmakers Limited	100.0	100.0
	Brickagent Limited	100.0	100.0
	CE Acquisition 1 Limited	100.0	100.0
	Chas Kendall (Turf Accountant) Limited	100.0	100.0
	Choicebet Limited	100.0	100.0
	C L Jennings (1995) Limited	100.0	100.0
Coral (Holdings) Limited	100.0	100.0	
Coral (Stoke) Limited	100.0	100.0	
Coral Estates Limited	100.0	100.0	
Coral Eurobet Limited	100.0	100.0	
Coral Eurobet Holdings Limited	100.0	100.0	
Coral Group Limited	100.0	100.0	
Coral Group Trading Limited	100.0	100.0	
Coral Limited	100.0	100.0	
Coral Racing Limited	100.0	100.0	
Coral Stadia Limited	100.0	100.0	
Forster's (Bookmakers) Limited	100.0	100.0	
Gala Coral Nominees Limited	100.0	100.0	
Gala Coral Pension Trustee Limited	100.0	100.0	
Gala Coral Properties Limited	100.0	100.0	
Gala Coral Secretaries Limited	100.0	100.0	
J G Leisure Limited	100.0	100.0	
Joe Jennings (1995) Limited	100.0	100.0	
Joe Jennings Limited	100.0	100.0	
Lightworld Limited	100.0	100.0	
Reg.Boyle Limited	100.0	100.0	
Reuben Page Limited	100.0	100.0	
Romford Stadium Limited	100.0	100.0	
Sports (Bookmakers) Limited	100.0	100.0	
Vegas Betting Limited	100.0	100.0	
D&W Bruce Limited	100.0	100.0	
77A Andersonstown Road	Ladbrokes (Northern Ireland) (Holdings) Limited	100.0	100.0
Belfast	Ladbrokes (Northern Ireland) Limited	100.0	100.0
BT11 9AH	North West Bookmakers Limited	100.0	100.0

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**9. Investments (continued)**

**Subsidiaries based overseas**

Registered address	Company	% equity interest	
		2019	2019
Belmont Chambers	Creative Trend Limited	100.0	100.0
Road Town Tortola	CTL Holdings International Limited	100.0	100.0
British Virgin Islands	SRL Holdings International Limited	100.0	100.0
Ugland House Grand Cayman, KY1-1104	Sunrise Resources Limited	100.0	100.0
Cayman Islands	Cayman Investments Number 1 International Finance Investment	100.0	100.0
13/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong China	Ladbrokes Lottery (Asia) Co. Limited	100.0	100.0
Holbergsgade 14, 2tv DK-1057, Copenhagen K Denmark	Ladbrokes ApS	100.0	100.0
Klosterstraede 23 3tv DK-1157, Copenhagen K Denmark	Sponsio Denmark A/S	100.0	100.0
57/63 Line Wall Road Gibraltar	Balltree (International) Limited	100.0	100.0
	Bingo Marketing Limited	100.0	100.0
	Coral Interactive (Gibraltar) Limited	100.0	100.0
	Gala Coral Interactive (Gibraltar) Limited	100.0	100.0
	Gala Interactive (Gibraltar) Limited	100.0	100.0
	LC International Limited	100.0	100.0
	Ladbrokes Sportsbook Limited Partnership	100.0	100.0
Inchalla, Alderney GY9 3UL, Guernsey	Exchange Platform Solutions Limited	100.0	100.0
1 <sup>st</sup> Floor, Otter House Naas Road Dublin 22 Ireland	Ace Racing Limited	100.0	100.0
	Dara Properties Limited	100.0	100.0
	Gossamer Limited	100.0	100.0
	Harney Bookmakers Limited	100.0	100.0
	Keenan Sport & Leisure Limited	100.0	100.0
	Ladbroke (Ireland) Limited	100.0	100.0
	Ladbroke Leisure (Ireland) Limited	100.0	100.0
	Ladbrokes Payments (Ireland) Limited	100.0	100.0
	M D Betting Limited	100.0	100.0
Arthur Cox Building Earlsfort Terrace Dublin 2 Ireland	Gala Coral Interactive (Ireland) Limited	100.0	100.0
4 <sup>th</sup> Floor, IFSC House Custom House Quay Dublin 1, Ireland	Ladbroke Services (Ireland) Limited	100.0	100.0
Menahem Begin 125 Tel Aviv, Israel	Gala Interactive (Services) Limited	100.0	100.0
Via Alessandro Marchetti No.105 Rome 00148 Italy	Brickagent Italia SRL	100.0	100.0
	Eurobet Holding SRL	100.0	100.0
	Eurobet Italia SRL	100.0	100.0
1 <sup>st</sup> Floor, Liberation House Castle Street, St. Helier 1 1GL, Jersey	IHF (Jersey) Limited	100.0	100.0
	Ladbroke (Channel Islands) Limited	100.0	100.0
47 Esplanade, St Helier JE1 0BD, Jersey	GC Group (Jersey) Limited	100.0	100.0
13 Castle Street, St Helier JE4 5UT, Jersey	Maple Court Investments (Jersey) Limited	100.0	100.0
Cagayan Economic Zone Sta. Ana, Cagayan Philippines	NCH Customer Support Services, Inc	100.0	100.0
Castello 82 4 IZQ, 28006 Madrid, Spain	Ladbrokes Betting and Gaming Spain, S.A.	100.0	100.0

**Notes to the financial statements for the year ended 31 December 2019 (continued)**

**10. Trade and other payables**

	<b>2019</b>	2018
	<b>£'000</b>	£'000
Amounts owed to group undertakings	3,113,668	2,999,592

Amounts owed to group undertakings are included under amounts falling due within one year where they are subject to repayment at any time by either the Lender or the Borrower giving written notice to the other.

**11. Issued share capital**

	<b>2019</b>	2018
	<b>£</b>	£
<i>Issued, called up and fully paid:</i>		
100 (2018: 100) ordinary shares of £1 each	<b>100</b>	100

**12. Related party transactions**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly-owned subsidiaries.

**13. Immediate and ultimate parent undertaking**

The immediate parent undertaking of the Company is Ladbrokes Coral Group Limited, a Company registered in England and Wales, and the ultimate parent undertaking is GVC Holdings PLC, a company registered in The Isle of Man. The only group preparing consolidated group financial statements which include the Company is GVC Holdings PLC for the year ended 31 December 2019.

Copies of the Annual Report and Financial Statements for GVC Holdings PLC can be obtained from the registered office of the company at 3rd Floor One New Change London EC4M 9AF.

**14. Subsequent events**

Since the year end the World Health Organisation declared a global pandemic following the Covid-19 outbreak leading to a number of countries around the world moving into a status of lockdown and preventing in certain cases any continuation of trade. This has had an impact on the GVC Holdings PLC group as it means a number of sporting events around the world have been halted. The Company's risks in this respect are aligned to that of the group.

Given the Company is a holding company there has been no noticeable impact to the Company during the pandemic.

The Group has assessed the impact of the Covid-19 outbreak on the business and has revised its cash flow forecasts for 2020 and 2021 to take account of the consequent reduction in profits and net cash inflows. The revised forecasts indicate that the group will remain within its present bank facilities and will continue to be able to pay its liabilities as they fall due.