

Annual Report and Financial Statements

Ladbrokes Coral Group Limited

For the year ended 31 December 2022

DIRECTORS AND ADVISORS

DIRECTORS

R Wood

R Hoskin (resigned 15 June 2023)

S Zinger (appointed 15 June 2023)

COMPANY SECRETARY

Ladbrokes Coral Corporate Secretaries Limited

INDEPENDENT AUDITOR

KPMG LLP

EastWest

Tollhouse Hill

Nottingham

NG1 5FS

REGISTERED OFFICE

7th Floor

One Stratford Place

Westfield Stratford City

Montfichet Road

London E20 1EJ

STRATEGIC REPORT – FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity is to provide managerial and administrative services to Entain plc and its subsidiary companies ("the Group").

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

	2022	2021
	£'m	£'m
Net Assets	2,405.2	2,325.3

RESULTS AND DIVIDENDS

The financial statements for the year show a profit for the financial year of £82,500,000 (2021: £148,600,000). The company has not paid a dividend during the year (2021: £115,000,000). The directors recommend no payment of a dividend for the year (2021: £nil).

FINANCIAL POSITION

As at 31 December 2022 the company had net assets of £2,405,200,000 (31 December 2021: £2,325,300,000).

PRINCIPAL RISK AND UNCERTAINTIES

Entain plc reviews and evaluates key risks and uncertainties faced by the group as part of the 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 has no other significant risks or uncertainties other than those that arise from being a part of the Entain plc. The significant risks or uncertainties, including the Company's exposure to financial risk management are dealt with on pages 85 to 88 presented in the Annual Report 2022 of Entain plc.

S172 STATEMENT

This section of the strategic report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the statement required under section 414 C of the Companies Act 2006 (the "Act").

The role of the board of directors of the company plays an integral part in demonstrating how the directors have had regard to the matters set out in section 172(1). During the year the following primary tasks were undertaken by the board of directors of the company:

- Defining and establishing purpose and strategy including, where relevant, having regard to the purpose, strategy, culture and values defined by Entain plc.;
- Assessing the principal and emerging risks relevant to the company.

In light of the role of the board, and their primary tasks and considerations throughout the year (as described above), the directors have discharged their duties under section 172(1) in a way that they considered, in good faith, is likely to promote the success of the company for the benefit of its members as a whole, having regard to the likely consequences of any decision in the long term and the broader interests of other stakeholders, as required by the Act. In doing so, the directors considered, amongst other matters:

- a. The likely long-term consequences of their decisions.
- b. The need to foster the company's business relationships with suppliers, customers, and others.
- c. The impact of the company's operations on the community and the environment.
- d. The desire to maintain the company's reputation for high standards of business conduct.
- e. The need to act fairly between members of the company.

The directors also considered the interests of a wider set of stakeholders, including the companies it has provided guarantees to and for. Further information on the process behind how the Entain plc board makes decisions that affect the stakeholders of its subsidiaries, including the company, can be found in Entain plc's Annual Report here: <https://entaingroup.com/investor-relations/financial-reports/>.

S172 STATEMENT (continued)

To support the directors in the discharge of their duties, and whilst making decisions on behalf of the company, the directors have access to Entain’s central functions assurance support to identify matters which may have an impact on proposed decisions including, where relevant, the section 172 factors outlined above. To ensure the efficiency and effectiveness of engagement with key stakeholders identified by the company, certain stakeholder engagement is led by the Entain group, particularly where the impact of a decision may impact the group’s reputation.

MODERN SLAVERY

Entain 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://entaingroup.com/sustainability/modern-slavery-statement/>

On behalf of the board



R Wood

Director

27 September 2023

The directors present their Directors' Report and the Company's audited financial statements for the year ended 31 December 2022. Comparative information is presented for the year ended 31 December 2021.

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

Directors: R Wood
R Hoskin (resigned 15 June 2023)
S Zinger (appointed 15 June 2023)

Secretary: Ladbrokes Coral Corporate Secretaries Limited

Registered Office: 7th Floor, One Stratford Place, Westfield Stratford City, Montfichet Road, London, E20 1EJ

Company Number: 00566221

FUTURE DEVELOPMENTS

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

FINANCIAL RISK MANAGEMENT

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

GOING CONCERN

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company is a subsidiary of the Group headed by Entain plc (the Group) and responsible for the provision of managerial and administrative services to Entain plc and its subsidiary companies and is therefore integral to the Group's business model. Consequently, the ability of the Company to continue as a going concern is based on the ability of the Group to continue as a going concern.

In adopting the going concern basis of preparation in the interim financial statements, the directors have considered the current trading performance of the Group, the potential impact of any settlement of the HMRC investigation, the principal risks and uncertainties as considered in the 2022 Annual Report and Accounts and longer term viability statement and the current economic environment. The assessment performed over going concern included assessing the impact of the crystallisation of the Group's principal risks in "severe but plausible" downside scenarios as well as downside sensitivities on trading.

Entain Plc has indicated its intention not to seek repayment of the amounts currently due to the group, which at 31 December 2022 amounted to £2,900,000, and to continue to make available such funds as are needed by the company, until at least 12 months from the date of approval of the financial statements and for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

POLITICAL DONATIONS

Neither the Company nor any of its subsidiaries made any disclosable political donations or incurred any disclosable political expenditure during the year (2021: £nil).

DIRECTORS' INDEMNITIES AND INSURANCE

Entain plc maintains a qualifying (as defined by law) directors' and officers' liability insurance. The above named 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

For all the directors at the time this report was approved, the following applies:

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

INDEPENDENT AUDITOR

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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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



R Wood
Director

27 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LADBROKES CORAL GROUP LIMITED

Opinion

We have audited the financial statements of Ladbrokes Coral Group Limited ("the Company") for the year ended 31 December 2022 which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 4.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit 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.

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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and shop staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LADBROKES CORAL GROUP LIMITED

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual journal entries with a credit or debit entry to cash and unexpected credit entries to the profit and loss.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, regulatory capital and liquidity, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LADBROKES CORAL GROUP LIMITED

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:

- 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 6, 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.

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

EastWest

Tollhouse Hill

Nottingham

NG1 5FS

29 September 2023

Ladbrokes Coral Group Limited

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	<u>Note</u>	2022 £'m	2021 £'m
Operating income		0.4	43.9
Profit before tax, finance income and separately disclosed items	5a	0.4	43.9
Separately disclosed items	5b	-	(0.5)
Income from investments	10	59.0	96.7
Profit before tax and finance income		59.4	140.1
Finance income	6	6.7	8.4
Profit before taxation		66.1	148.5
Taxation	8	16.4	0.1
Profit for the financial year		82.5	148.6
Attributable to: Equity holders of the parent		82.5	148.6

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

The notes on pages 14 to 26 form an integral part of these financial statements.

Ladbrokes Coral Group Limited**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£'m	£'m
Profit for the financial year	82.5	148.6
Other comprehensive expense for the financial period		
Re-measurement of defined benefit pension scheme	(2.5)	-
Tax on re-measurement of defined benefit pension scheme	2.5	-
Deficit on revaluation of other investment	(2.6)	-
Other comprehensive expense	(2.6)	-
Total comprehensive income/(expense) for the financial period	79.9	148.6

The notes on pages 14 to 26 form an integral part of these financial statements.

	Note	2022 £'m	2021 £'m
FIXED ASSETS			
Intangible assets	9	0.1	0.2
Investments	10	1,969.9	1,973.6
Retirement benefit asset	13	-	7.0
Deferred tax asset	8	17.5	-
		1,987.5	1,980.8
CURRENT ASSETS			
Trade and other receivables (including £391,000,000 (2021: £353,398,000) due after more than one year)	11	437.7	359.5
CURRENT LIABILITIES			
Trade and other payables	12	(17.1)	(9.6)
NET CURRENT ASSETS			
		420.6	349.9
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,408.1	2,330.7
NON-CURRENT LIABILITIES			
Trade and other payables	12	(2.9)	(2.9)
Deferred tax liability	8	-	(2.5)
		(2.9)	(5.4)
NET ASSETS			
		2,405.2	2,325.3
EQUITY			
Issued share capital	14	546.2	546.2
Share premium account		336.2	336.2
Merger reserves		921.7	921.7
Capital redemption reserve		5.8	5.8
Retained Earnings		595.3	515.4
TOTAL SHAREHOLDERS' FUNDS			
		2,405.2	2,325.3

The notes on pages 14 to 26 form an integral part of these financial statements.

The financial statements on pages 10 to 26 were approved by the board of directors on 27 September 2023 and were signed on its behalf by:

R Wood
Director
27 September 2023

STATEMENT OF CHANGES IN EQUITY – FOR THE YEAR ENDED 31 DECEMBER 2022

	Issued share capital £'m	Share premium account £'m	Merger reserve account £'m	Capital redemption reserve £'m	Retained earnings £'m	Total shareholders' funds £'m
At 31 December 2020	546.2	336.2	921.7	5.8	481.8	2,291.7
<i>Total Comprehensive Income:</i>						
Profit for the year	-	-	-	-	148.6	148.6
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	148.6	148.6
Equity dividends	-	-	-	-	(115.0)	(115.0)
At 31 December 2021	546.2	336.2	921.7	5.8	515.4	2,325.3
<i>Total Comprehensive Income:</i>						
Profit for the year	-	-	-	-	82.5	82.5
Other comprehensive income	-	-	-	-	(2.6)	(2.6)
Total comprehensive income	-	-	-	-	79.9	79.9
At 31 December 2022	546.2	336.2	921.7	5.8	595.3	2,405.2

The notes on pages 14 to 26 form an integral part of these financial statements.

1. CORPORATE INFORMATION

Ladbrokes Coral Group Limited ('the Company') is a private company limited by shares 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 2022 were authorised for issue in accordance with a resolution of the directors.

2. BASIS OF PREPARATION

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

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

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of Entain plc.

The accounting policies which follow in note 4 set out those policies which apply in preparing the financial statements for the period ended 31 December 2022. 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:

- IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of IAS16.73 (e) comparative information
- IAS 8.30-31 Accounting Policies, Changes in Accounting Estimates and Errors;
- IAS 24 Related Party Disclosures
- the requirements of paragraph 17 of IAS 24;
- Paragraphs 113 (a), 114, 115, 118, 119a) to (c), 120 to 127 and 129 of IFRS 15 revenue from Contacts with Customers.
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of Entain plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share-Based Payments in respect of group settled share-based payments
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

New standards and IFRIC interpretations

From 1 January 2022 the Company has applied, for the first time, certain standards, interpretations and amendments. The adoption of the following standards and amendments to standards did not have a material impact on the current period or any prior period upon transition:

- IAS 15 Property, Plant and Equipment; amendments to the definition of sales proceeds and related costs;
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets; amendments to the definition of costs to fulfil an onerous contract;
- IAS 41 Agriculture; amendments to the measurement techniques for biological assets; and
- IFRS 3 Business Combinations; updating a reference to the Conceptual Framework.

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. In this regard, management believes that the accounting policies where judgement is necessarily applied are those set out below.

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.

Investments

Investments held as fixed assets are stated at cost less provision for impairment.

The Company assesses these investments for impairment wherever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount. If the recoverable amount is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company is a subsidiary of the Group headed by Entain plc (the Group) and responsible for the provision of managerial and administrative services to Entain plc and its subsidiary companies and is therefore integral to the Group's business model. Consequently, the ability of the Company to continue as a going concern is based on the ability of the Group to continue as a going concern.

In adopting the going concern basis of preparation in the interim financial statements, the directors have considered the current trading performance of the Group, the potential impact of any settlement of the HMRC investigation, the principal risks and uncertainties as considered in the 2022 Annual Report and Accounts and longer term viability statement and the current economic environment. The assessment performed over going concern included assessing the impact of the crystallisation of the Group's principal risks in "severe but plausible" downside scenarios as well as downside sensitivities on trading.

Entain Plc has indicated its intention not to seek repayment of the amounts currently due to the group, which at 31 December 2022 amounted to £2,900,000, and to continue to make available such funds as are needed by the company, until at least 12 months from the date of approval of the financial statements and for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

4.2 Financial liabilities

Financial liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of financial liabilities at initial recognition. Financial liabilities comprise of interest-bearing loans.

Loans and borrowings

On initial recognition, loans and borrowings are recognised at fair value net of transaction costs. After initial recognition, interest-free, unsecured loans are measured at amortised cost using the effective interest method.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Financial assets

Financial assets are recognised when the Company becomes party to the contracts that give rise to them. The Company classifies financial assets at inception as loans and receivables, financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive. At 31 December 2022, the Company had only financial assets classified as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative assets with fixed or determinable payments that are not quoted in an active market and comprise trade and other receivables and loans to fellow subsidiary companies. On initial recognition, loans and receivables are measured at fair value net of transaction costs. Subsequently, the fair values are measured at amortised cost using the effective interest rate method, less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in interest receivable in the income statement. Losses arising from impairment are recognised in the income statement in operating expenses.

4.4 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.

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 groups 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.

4.5 Derecognition of financial assets and liabilities

Financial assets are derecognised when the right to receive cash flows from the assets has expired or when the Company has transferred its contractual right to receive the cash flows from the financial assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party, and either:

- substantially all the risks and rewards of ownership have been transferred; or
- substantially all the risks and rewards have neither been retained nor transferred but control is not retained.

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

4.6 Foreign currency translation

Transactions in foreign currency are initially recorded in Pounds Sterling at the foreign currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the foreign currency rate of exchange ruling at the balance sheet date.

All foreign currency translation differences are taken to the income statements and are reported as part of the operating expenses.

4.7 Finance expense and income

Finance expense and income arising on interest bearing financial instruments carried at amortised cost are recognised in the income statement using the effective interest rate method. Finance expense includes the amortisation of fees that are an integral part of the effective finance cost of a financial instrument, including issue costs, and the amortisation of any other differences between the amount initially recognised and the redemption price. Finance income represents income arising from loans to fellow group companies.

4.8 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**4.8 Income tax** (continued)

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 the transaction, affects neither the accounting profit nor taxable profit or loss.
- Deferred income tax assets are recognised only to the extent that it is probably 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.

Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

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 credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

4.9 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

4.10 Treasury shares

Own equity instruments that are reacquired (treasury shares) are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4.11 Separately disclosed items

To assist in understanding its underlying performance, the Company has defined the following items of pre-tax income and expense which are separately disclosed as they either reflect items which are exceptional in nature or size or are associated with the amortization of acquired intangibles. Items treated as separately disclosed include:

- corporate transaction and restructuring costs.
- integration costs.
- pension related costs.

Any other non-recurring items are considered individually for classification as separately disclosed or exceptional by virtue of their nature or size.

The separate disclosure of these items allows a clearer understanding of the trading performance on a consistent comparable basis, together with an understanding of the effect of non-recurring or large individual transactions upon the overall profitability of the Company. Further details are given in note 5(b).

5a. PROFIT BEFORE TAX AND FINANCE INCOME AND SEPARATELY DISCLOSED ITEMS

This is stated after (charging)/crediting:	2022	2021
	£'m	£'m
Amortisation of intangibles	(0.1)	(0.1)
Foreign exchange gain	1.6	-

5b. SEPARATELY DISCLOSED ITEMS

	2022	2021
	£'m	£'m
Pension related costs ^(a)	-	0.5
(a) Pension cost associated with the buy-out of the Ladbrokes pension scheme.		

6. FINANCE INCOME

	2022	2021
	£'m	£'m
Interest receivable from fellow subsidiary companies	6.7	8.4

7. DIRECTORS', AUDITOR'S AND EMPLOYEES' REMUNERATION

The directors who have served during the period 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 (2021: £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.

Total auditor's remuneration for the audit of the Company has been borne by another group company.

8. TAXATION

(a) Tax charge/(credit) in the income statement	2022	2021
	£'m	£'m
Current tax		
UK corporation tax – current year	0.7	-
UK corporation tax – prior year	0.4	-
Total current tax	1.1	-
Deferred tax		
Origination and reversal of timing differences	(17.5)	(0.1)
Total deferred tax	(17.5)	(0.1)
Tax charge/(credit) reported in the income statement	(16.4)	(0.1)
Deferred tax charged/(credited) directly to other comprehensive income	(2.5)	-
(b) Reconciliation of the total income tax credit	2022	2021
	£'m	£'m
Profit before taxation	66.1	148.5
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2021 – 19.00%)	12.6	28.2
Adjusted for the effects of:		
Recognition of deferred tax assets	(19.7)	-
Group relief surrendered for nil consideration	(0.8)	(4.1)
Utilisation of unrecognised tax losses	-	(0.9)
Transfer pricing adjustment	1.2	0.9
Expenses not deductible for tax purposes	0.5	-
Non-taxable income	(11.2)	(24.0)
Adjustment in respect of prior years	0.6	-
Impact of tax rate changes	0.4	(0.2)
Total tax on profit reported in the income statement	(16.4)	(0.1)

8. TAXATION (continued)

(c) Change in corporation tax rate

In the UK Budget on 3 March 2021, the Chancellor announced that the standard rate of UK Corporation Tax would be increased from 19% to 25% with effect from 1 April 2023. This was substantively enacted on 24 May 2021. The 25% rate has therefore been used in measuring the deferred tax items at the balance sheet date.

(d) Deferred tax

The deferred tax liability included in the company balance sheet is as follows:

	2022	2021
	£'m	£'m
Deferred tax liabilities		
Retirement benefit asset	-	(2.5)
	<hr/>	<hr/>
Deferred tax assets	17.5	-
	<hr/>	<hr/>
Net deferred tax asset/(liability)	18.0	(2.5)
	<hr/> <hr/>	<hr/> <hr/>

Movements in the deferred tax during the period were as follows:

	£'m
At 1 January 2022	(2.5)
Disposal	2.5
Current year P&L	17.5
At 31 December 2022	<hr/> 17.5 <hr/>

The deferred tax asset included in the Company balance sheet consists of losses of £17,500,000 (2021: £nil).

Deferred tax assets have not been recognised in respect of the carried forward tax losses of £3.0m (2021: £23.3m) because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

9. INTANGIBLE ASSETS

	<u>Software</u> <u>License</u> £'m
Cost	
At 1 January 2022	0.3
Additions	-
At 31 December 2022	<hr/> 0.3 <hr/>
Accumulated amortization and impairment	
At 1 January 2022	0.1
Provided during the year	0.1
At 31 December 2022	<hr/> 0.2 <hr/>
Net book value	
At 31 December 2022	<hr/> 0.1 <hr/>
At 31 December 2021	<hr/> 0.2 <hr/>

10. INVESTMENTS

	Shares in subsidiaries £'m	Associate investments £'m	Other investments £'m	Total £'m
Cost				
At 31 December 2021	2,324.4	20.9	3.9	2,349.2
Additions	-	-	-	-
At 31 December 2022	2,324.4	20.9	3.9	2,349.2
Impairment provisions				
At 31 December 2021	372.2	3.4	-	375.6
Provided in year	-	1.1	2.6	3.7
At 31 December 2022	372.2	4.5	2.6	379.3
Net book value				
At 31 December 2022	1,952.2	16.4	1.3	1,969.9
At 31 December 2021	1,952.2	17.5	3.9	1,973.6

During the year, the Company received a dividend from its investment in LB Australia Holdings Pty Limited for £59,000,000, and a dividend from its associate Sports Information Services (Holdings) Limited for £1,100,000. The Company subsequently reduced its investment in the associate for the amount of the dividend receipt.

The company recognised a deficit on revaluation of its other investment for £2,600,000. Other investments have no fixed maturity date or coupon rate.

The list below represents the Company's investment in the following subsidiary companies at 31 December 2022.

Registered address	Company	% in equity interest	
		2022	2021
7 th Floor	Arthur Prince (Turf Accountants) Limited	100.0	100.0
One Stratford Place	Bartletts Limited	100.0	100.0
Westfield Stratford City	Birchgree Limited	100.0	100.0
Montfichet Road	Bloxhams Bookmakers Limited	100.0	100.0
London	Brickagent Limited	100.0	100.0
E20 1EJ	C L Jennings (1995) Limited	100.0	100.0
	CE Acquisition 1 Limited	100.0	100.0
	Chas Kendall (Turf Accountants) Limited	100.0	100.0
	Chequered Racing Limited	100.0	100.0
	Choicebet 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 Holdings Limited	100.0	100.0
	Coral Eurobet 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
	E.F. Politt & Son Limited	100.0	100.0

10. INVESTMENTS (continued)

Registered address	Company	% in equity interest	
		2022	2021
	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
	Ganton House Investments Limited	100.0	100.0
	Greatmark Limited	100.0	100.0
	J G Leisure Limited	100.0	100.0
	Jack Brown (Bookmaker) Limited	100.0	100.0
	Joe Jennings (1995) Limited	100.0	100.0
	Joe Jennings 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
	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 Group Finance plc	100.0	100.0
	Ladbrokes Group Holdings Limited	100.0	100.0
	Ladbrokes Investment Holdings Limited	100.0	100.0
	Lightworld Limited	100.0	100.0
	Maple Court Investments Limited	100.0	100.0
	Margolis and Ridley 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
	Sabrinet Limited	100.0	100.0
	Sponsio Limited	100.0	100.0
	Sports (Bookmakers) Limited	100.0	100.0
	Travel Document Services	100.0	100.0
	Vegas Betting Limited	100.0	100.0
	Ventmear 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
East Tower, Level 2,	Gaming Investments Pty Limited	100.0	100.0
25 Montpelier Road, Bowen Hills	LB Australia Holdings Pty Limited	100.0	100.0
QLD 4006 Australia	Ladbrokes Racing Club Pty Limited	100.0	100.0

10. INVESTMENTS (continued)

Registered address	Company	% in equity interest	
		2022	2021
Chaussée de Wavre 1100 Box 3 1160 Auderghem Belgium	Ladbroke Belgium S.A. Pari Mutuel Management S.A. N.V. Derby S.A. Tiercé Ladbrokes S.A. Tilt SRL/BV	100.0 100.0 100.0 100.0 100.0	100.0 100.0 100.0 100.0 100.0
Belmont Chambers Road Town Tortola British Virgin Islands	Creative Trend Limited CTL Holdings International Limited SRL Holdings International Limited Sunrise Resources Limited	100.0 100.0 100.0 100.0	100.0 100.0 100.0 100.0
13/F Gloucester Tower The Landmark, 15 Queen's Road, Central Hong Kong, China	GVC Technology Consulting (Asia) Co Limited	100.0	100.0
Suite 6 Atlantic Suites Europort Avenue Gibraltar	Balltree (International) Limited Bingo Marketing Limited Coral Interactive (Gibraltar) Limited Gala Coral Interactive (Gibraltar) Limited Gala Interactive (Gibraltar) Limited LC International Limited Ladbrokes Sportsbook Limited Partnership	100.0 100.0 100.0 100.0 100.0 100.0 100.0	100.0 100.0 100.0 100.0 100.0 100.0 100.0
1 st Floor Otter House, Naas Road, Dublin 22 Ireland	Ladbroke (Ireland) Limited	100.0	100.0
Menahem Begin Road 121 & 125 Tel Aviv, Jaffa, Israel	Gala Interactive (Services) Limited Ladbrokes Israel Limited	100.0	100.0
Via Lungotevere Arnaldo da Brescia 12, 00196 Rome, Italy	Eurobet Holding S.R.L. Eurobet Italia S.R.L.	100.0 100.0	100.0 100.0
1 st Floor, Liberation House, Castle Street, St Helier, JE1 1ST Jersey	Ladbroke (Channel Islands) Limited	100.0	100.0
IFC 5, St Helier, JE1 1ST Jersey	Maple Court Investments (Jersey) Limited	100.0	100.0
6F Tower 3 Double Dragon Plaza EDSA Ext. cor. Macapagal Avenue Pasay City, Philippines	NCH Customer Support Services, Inc	100.0	100.0
24A 18 th Street, Menlo Park, Pretoria 0081 South Africa	Ladbrokes (SA) (Pty) Limited	100.0	100.0
Castello 82 4 IZQ 28010 Madrid Spain	Ladbrokes Betting and Gaming Spain, S.A.	100.0	100.0
c/o The Corporation Trust Company 1209 Orange Street, New Castle Wilmington DE 19891 United States	Ladbrokes Holdco, Inc	100.0	100.0
7251 Amigo Strees, Suite 100 Las Vegas, NV89119 United States	Stadium Technology Group, LLC	100.0	100.0

11. TRADE AND OTHER RECEIVABLES

	2022	2021
	£'m	£'m
Amounts owed by group companies	437.6	359.4
Other debtors	0.1	0.1
	437.7	359.5

Amounts owed by other group undertakings are included under amounts falling due within one year as they are repayable on demand and relate to trading and financing type transactions. These balances are repaid, and drawn down on a periodic basis.

Included within amounts owed by group undertakings is £391,000,000 which is expected to be recovered after more than one year (2021: £353,398,000).

12. TRADE AND OTHER PAYABLES

	2022	2021
	£'m	£'m
Current		
Amounts owed to group companies	2.9	1.0
Corporation tax payable	1.1	-
Other payables	3.0	2.0
Accruals and deferred income	10.1	6.6
	17.1	9.6

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.

	2022	2021
	£'m	£'m
Non-current		
Other payables	2.9	2.9

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.

13. RETIREMENT BENEFIT SCHEMES**Defined Benefit Plans**

The Company had one final salary pension plan for UK employees. The scheme is closed to new employees and future accrual.

During 2021, the Company finalized the buy-out of the Plan with the assets and liabilities of the scheme passed to a third party. As the Company has extinguished its obligations to the IAS 19 liabilities, only the residual assets remaining in the scheme are now recorded.

The amounts recognised in the balance sheet are as follows:

	2022	2021
	£'m	£'m
Present value of funded obligations	-	-
Fair value of plan assets	-	7.0
Net asset	-	7.0
Disclosed to the balance sheet as: Retirement benefit asset	-	7.0

The Company has considered the appropriate accounting treatment in respect of the pension plan surplus, taking into account the current agreement with the Trustees and concluded the recognition of the surplus is appropriate.

13. RETIREMENT BENEFIT SCHEMES (continued)

The amounts recognised in the income statement are as follows:

	2022	2021
	£'m	£'m
Analysis of amounts charged to staff costs		
Separately disclosed items	-	0.5
Net interest on net asset	-	(0.1)
Total cost recognised in the income statement in staff costs	-	0.4

The actual return on plan assets over the year was a loss of £100,000 (2021: loss of £4,300,000).

The amounts recognised in the statement of comprehensive income are as follows:

	2022	2021
	£'m	£'m
Actual return on assets less interest on plan assets	(0.1)	(7.0)
Actuarial gains on defined benefit obligation due to changes in financial assumptions	-	6.1
Experience adjustments on benefit obligation	-	0.9
Actuarial losses recognized in the statement of comprehensive income	(0.1)	-

Changes in the present value of the defined benefit obligation are as follows:

	2022	2021
	£'m	£'m
At 1 January	-	(385.1)
Interest on obligation	-	(2.6)
Actuarial losses due to changes in financial assumptions	-	6.1
Experience adjustments on obligations	-	0.9
Scheme buy-out	-	368.4
Benefits paid	-	12.3
At 31 December	-	-

Changes in the fair value of plan assets are as follows:

	2022	2021
	£'m	£'m
At 1 January	7.0	392.5
Interest on plan assets	-	2.7
Administrative expenses	-	(0.5)
Actual return less interest on plan assets	(0.1)	(7.0)
Scheme buy-out	(6.9)	(368.4)
Benefits paid	-	(12.3)
At 31 December	-	7.0

The Company does not expect to contribute nor have administrative expenses arise in 2023.

The major categories of plan assets as a percentage of total plan assets are as follows:

	2022	2021
	%	%
Equities and Diversified Growth Funds	-	-
Liability Driven Investment (%)	-	-
Private credit	-	-
Cash	-	100.0

13. RETIREMENT BENEFIT SCHEMES (continued)

The Plan assets were held exclusively within instruments with quoted market prices in an active market with the exception of a private credit asset.

The Plan did not invest directly in property occupied by the Company or in financial securities issued by the Company. Although, as the Plan held pooled investment vehicles, there may at times have been indirect employer related investment. At 31 December 2022 these represented less than 0.1% (2021: less than 0.1%) of the Plan's total assets.

The investment strategy was set by the Trustees of the Plans in consultation with the Company. The current long-term strategy was to invest in a matching portfolio sufficient to meet the next 15 years of cash flows with the remaining assets invested in return seeking funds

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages where appropriate):

	2022	2021
	% p.a.	% p.a.
Discount rate	n/a	n/a
Price inflation (CPI/RPI)	n/a	n/a
Future pension increases – LPI 5% (CPI)	n/a	n/a
– LPI 3% (RPI)	n/a	n/a
– LPI 2.5% (CPI)	n/a	n/a

The post-retirement mortality assumed for most members was based on the standard SAPS mortality table with the CMI 2019 projections, which took into account future improvements, adjusted to reflect plan specific experience.

The assumption used implied that the expected lifetime of members aged 65 in 2021 was 86.5 years for males and 88.6 years for females. Following buy-out assumptions for 2022 were not applicable.

Changes to the assumptions would have impacted the amounts recognised in the balance sheet and the income statement in respect of the Plan. For the significant assumptions, the following sensitivity analysis provides an indication of the impact on the defined benefit obligation for the year ended 31 December 2022:

	2022	2021
	%	%
– 0.5% p.a. decrease in the discount rate	-	-
– 0.5% p.a. increase in price inflation	-	-
– One year increase in life expectancy	-	-

Certain employees of the Company were deferred members of the Ladbrokes Pension plan. Details of the plan and particulars of the actuarial valuation are contained in the financial statements of Entain plc for the financial year ended 31 December 2022.

14. CALLED UP SHARE CAPITAL

Allotted, called up and fully paid:	2022	2021
	£'m	£'m
1,927,847,629 (2021: 1,927,847,629) ordinary shares at 28½p each	546.2	546.2

The Company's share capital consists entirely of ordinary shares, accordingly all shares rank pari passu in all respects.

15. SHARE BASED PAYMENTS

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries or the requirements of paragraph 17 of IAS 24 Key Management Compensation. There were no transactions with any other related parties in the year (2021: £nil).

16. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the Company as at 31 December 2022 is Entain Holdings (UK) Limited, a company with the registered address 7th Floor, One Stratford Place, Westfield Stratford City, Montfichet Road, London, E20 1EJ and the ultimate parent undertaking is Entain plc, a company with registered address; 32 Athol Street, Douglas, Isle of Man, IM1 1JB. The only group preparing consolidated group financial statements which include the Company is Entain plc for the year ended 31 December 2022.

Copies of the Annual Report and Financial Statements for Entain plc can be obtained from the registered office of the company at 7th Floor, One Stratford Place, Westfield Stratford City, Montfichet Road, London, E20 1EJ. They can also be obtained from the Group's corporate website at <https://entaingroup.com/investor-relations/financial-reports/>