

**ALDERNEY eGAMBLING LIMITED**

**FINANCIAL STATEMENTS 2013**

**FOR INFORMATION PURPOSES**

**Alderney eGambling Limited**  
*for the year ended 31 December 2013*

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# **Alderney eGambling Limited**

## **Directors' Report**

*for the year ended 31 December 2013*

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The directors present their directors' report and financial statements for the period from 1 January 2013 to 31 December 2013.

### **Principal activities**

The primary purpose of Alderney eGambling Limited is promote the jurisdiction of Alderney as a regulated environment for companies engaged in the electronic provisions of gambling services and to encourage them to base themselves in and to submit themselves to the licensing regime operated by the Alderney Gambling Control Commission.

This promotion takes several forms including attendance at trade shows and conferences, contact with professional advisers and directly with operators wherever they may be based. A marketing group, named Team Alderney, has also been formed with relevant service providers from the telecommunications, legal and fiduciary sector within the Bailiwick who contribute to the expenses of participating in relevant events in return for their attendance alongside the Company.

### **Incorporation**

The company was registered in Alderney, Channel Islands on 5 October 2009 under The Companies (Alderney) Law, 1994, registration number 1763.

### **Directors**

The directors who held office during the year were as follows:

Robin Andrew Le Prevost	Chief Executive
Anthony Owen Llewellyn	Director – resigned 21 <sup>st</sup> May 2013
Paul Arditti	Director – appointed 10 <sup>th</sup> January 2013, resigned 23 <sup>rd</sup> May 2013
Francis Simonet	Chairman – appointed 10 <sup>th</sup> January 2013
Robert Neil Harvey	Director – appointed 17 <sup>th</sup> July 2013
Matthew James Birmingham	Director – appointed 17 <sup>th</sup> July 2013

## **Alderney eGambling Limited**

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

*for the year ended 31 December 2013*

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#### **Secretary**

Bridget Postlethwaite commenced as Company Secretary on 1 January 2013.

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

The directors are responsible for preparing 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.

The financial statements are required by law to 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with The Companies (Alderney) Law, 1994. They 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.

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## Alderney eGambling Limited

Directors' Report (continued)  
*for the year ended 31 December 2013*

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### Auditors

KPMG Channel Islands Limited were reappointed as auditor of the Company during the period. A resolution for the re-appointment of KPMG Channel Islands Limited as auditor of the Company will be proposed at the Board of Directors Meeting.

By order of the board



Director

On behalf of Alderney eGambling Limited.

Date: 18<sup>th</sup> MARCH 2014

KPMG Channel Islands Limited  
20 New Street  
St Peter Port  
Guernsey, Channel Islands  
GY1 4AN

## **Independent auditor's report to the members of Alderney eGambling Limited**

We have audited the financial statements of Alderney eGambling Limited (the "Company") for the year ended 31 December 2013 which comprise the Balance Sheet, the Profit and Loss Account and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the Company's members, as a body, in accordance with section 79 of the Companies (Alderney) Law, 1994. 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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its surplus for the year then ended;
- are in accordance with United Kingdom Accounting Standards; and

- comply with Companies (Alderney) Law, 1994.

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

We have nothing to report in respect of the following matters where the Companies (Alderney) Law, 1994 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

KPMG Channel Islands Limited  
*Chartered Accountants*

## Alderney eGambling Limited

### Profit and Loss Account

for the year ended 31 December 2013

	Note	01.01.13 to 31.12.13 £	01.01.12 to 31.12.12 £
<b>Income:</b>			
Income from The States of Alderney	1	232,770	206,570
Team Alderney Income	1	<u>142,500</u>	<u>150,000</u>
<b>Total Income</b>		<b><u>375,270</u></b>	<b><u>356,570</u></b>
<b>Expenditure:</b>	1		
Salaries and Wages		140,557	122,752
Travel and Entertainment		29,567	30,875
Team Alderney Expenses		132,161	161,631
Members Expenses		-	18,154
Conference Costs		7,762	3,762
Advertising		20,646	8,752
Administrative Costs		6,921	5,769
Website		2,045	3,939
Other Expenditure		4,877	8,492
Depreciation	1, 2	<u>7,008</u>	<u>3,008</u>
<b>Total Expenditure</b>		<b><u>351,544</u></b>	<b><u>367,134</u></b>
<b>Surplus/(Deficit) for the Period</b>		<b><u>23,726</u></b>	<b><u>(10,564)</u></b>

All profits are generated from continuing operations.

The Company has no other gains or losses other than the surplus for the year.

The notes on pages 10 to 12 form part of these financial statements.



# Alderney eGambling Limited

## Balance Sheet

As at 31 December 2013

	Note	31.12.13 £	31.12.12 £
<b>Fixed Assets:</b>			
Computer Equipment	2	0	745
Stand	2	<u>44,055</u>	<u>757</u>
<b>Total Fixed Assets</b>		<u>44,055</u>	<u>1,502</u>
<b>Current Assets:</b>			
Cash and Cash Equivalents		9,915	6,606
Prepayments		12,067	36,120
Accounts Receivable		<u>7,500</u>	<u>7,500</u>
<b>Total Current Assets</b>		<u>29,482</u>	<u>50,226</u>
<b>Current Liabilities:</b>			
Creditors		22,620	6,082
Accounts Payable		<u>1,524</u>	<u>19,979</u>
<b>Total Current Liabilities</b>		<u>24,144</u>	<u>26,061</u>
<b>Net Assets</b>		<u>49,393</u>	<u>25,667</u>
<b>Capital and Reserves:</b>			
Ordinary Shares	5	1	1
Profit and loss reserves	5	<u>49,392</u>	<u>25,666</u>
<b>Shareholders' Funds</b>		<u>49,393</u>	<u>25,667</u>

These financial statements on pages 8 to 12 were approved by the board of directors on ~~28~~ and are signed on their behalf by:

18<sup>th</sup> March 2014



Director



Director

The notes on pages 10 to 12 form part of these financial statements.

# **Alderney eGambling Limited**

## **Notes to the Financial Statements**

*for the year ended 31 December 2013*

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### **1) Basis of Accounting**

#### **Accounting policies**

The Financial statements have been prepared under the historical cost convention and in accordance with applicable UK Accounting Standards.

#### **Going Concern**

The financial statements show a surplus as at 31 December 2013. The income from the States of Alderney for 2014 will be increased from 2013. The Directors consider it appropriate to prepare the financial statements on a going concern basis.

#### **Depreciation**

Depreciation is calculated using a straight-line method at the following rate:

- Computer Equipment - 33% per annum
- Stand - 33% per annum

#### **Income**

Income from the States of Alderney, Team Alderney income and Members income is accounted for on an accruals basis. The income received from the States of Alderney for 2013 was £232,770 (2012: £206,570).

#### **Cash flow Statement**

Under Financial Reporting Standard No. 1 Alderney eGambling Limited is exempt from the requirements to prepare a cash flow statement on the grounds of its size.

#### **Expenditure**

Expenses are accounted for on an accruals basis.

## Alderney eGambling Limited

### Notes to the Financial Statements (Continued) for the year ended 31 December 2013

#### 2) Fixed Assets

	Computer Equipment £	Stand £	Total £
Cost:	3,157	5,958	9,115
As at 1 January 2013			
Additions	-	49,560	49,560
As at 31 December 2013	<u>3,157</u>	<u>55,518</u>	<u>58,675</u>
Depreciation:			
As at 1 January 2013	2,412	5,201	7,613
Charge for the Period	745	6,262	7,007
As at 31 December 2013	<u>3,157</u>	<u>11,463</u>	<u>14,620</u>
Net Book Value:			
As at 31 December 2013	=	<u>44,055</u>	<u>44,055</u>

#### 3) Guernsey Income Tax

Alderney eGambling Limited is taxable at 0%.

#### 4) Share Capital

There are 10,000 authorised ordinary shares of £1 each. One share of £1 has been issued and fully paid as at 31 December 2013.

#### 5) Reconciliation of Movement in Capital and Reserves

	Share Capital	Profit & loss reserves	Total
	£	£	£
Balance as at 31 December 2012	1	25,666	25,667
Shares issued	-	-	0
Surplus for the year	-	23,726	23,726
Balance as at 31 December 2013	<u>1</u>	<u>49,392</u>	<u>49,393</u>

## **Alderney eGambling Limited**

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

*for the year ended 31 December 2013*

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#### **6) Related party transactions**

The States of Alderney is the ultimate Shareholder of the Company and each year it provides the Company with funds in order to cover the expenditure incurred in running the Company. During the year Alderney eGambling Limited received £232,770 from The States of Alderney. There were no balances owing to or from the States of Alderney as at 31 December 2013.

#### **7) Ultimate Controlling Party**

100% of the share capital is held by the States of Alderney and therefore they are the ultimate controlling party.