

REGISTERED NUMBER: 02122895 (England and Wales)

TFPL FINANCIAL SERVICES LIMITED

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 December 2016

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TFPL FINANCIAL SERVICES LIMITED

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for the Year Ended 31 December 2016

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TFPL FINANCIAL SERVICES LIMITED

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

C W Lynn
C S Byrne
M M Kalifa

REGISTERED OFFICE:

Walton House
55 Charnock Road
Liverpool
Merseyside
L67 1AA

REGISTERED NUMBER:

02122895 (England and Wales)

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory
Auditors
London

TFPL FINANCIAL SERVICES LIMITED

Strategic Report
for the Year Ended 31 December 2016

The Directors present the Strategic report of the Company for the financial year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The Company markets a range of financial services products. TFPL Financial Services Limited is an appointed introducer of a number of financial services suppliers, including AIG, and has a credit licence from the Financial Conduct Authority.

REVIEW OF BUSINESS

The Directors consider the results for the year and the state of the Company's affairs at 31 December 2016 to be satisfactory.

The profit for the financial year, amounted to £8,000 (2015 : £9,000). The Directors have not recommended a dividend (2015: £nil).

FUTURE DEVELOPMENTS

On 2 March 2017, the Company's ultimate parent owner, Sportech PLC, has agreed to dispose of certain assets within its Football Pools division to OpCapita LLP, subject to certain conditions. This disposal will include the entire shareholding of TFPL Financial Services Limited. The Company's owner will therefore change. This is not anticipated to impact the principal activities of the business, however this will ultimately be determined by the Board in reviewing its activities under its new ownership structure. Completion of the deal is likely to result in the departure of M Kalifa as a director of the business, as he will continue as the Chief Financial Officer of the Sportech PLC Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The principal risks that the Company faces relate to continuing customer attrition in the football pools market (which is the principal business of another Group company (The Football Pools Limited), and to whose customers the Company's products are mainly directed) and ongoing changes in gaming regulation.

The most significant risk which the Company faces is:

Regulatory: The business works closely with the UK Gambling Commission to ensure that its business activities are correctly licensed and that it does not inadvertently breach the terms of any of its licences. To minimise against the threat of legal action from jurisdictions where gambling is either illegal or restricted, the Company closely monitors business activity by geographical area and employs a Security Officer to ensure that all staff are fully trained and capable of identifying illegal gambling activity.

KEY PERFORMANCE INDICATORS

The Group's operations are managed on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of Sportech PLC, which includes the Company, is discussed in the Financial Review section of the Group's Annual Report for the year ended 31 December 2016 which does not form part of this report.

ON BEHALF OF THE BOARD:



.....
C W Lynn - Director

Date: 2nd May 2017

TFPL FINANCIAL SERVICES LIMITED

**Report of the Directors
for the Year Ended 31 December 2016**

The Directors present the Directors' report and audited financial statements of the Company for the financial year ended 31 December 2016.

RESULTS

The profit for the financial year amounted to £8,000 (2015: £9,000).

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2016 (2015: £nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

C W Lynn
C S Byrne

Other changes in directors holding office are as follows:

J C Baty - resigned 3 March 2016
M M Kalifa - appointed 3 March 2016

FINANCIAL RISK MANAGEMENT

The Directors manage financial risk at a Group level across the whole business. The financial risk management policies and objectives of Sportech PLC, which includes the Company, are discussed in note 23 of the Group's Annual Report for the year ended 31 December 2016 which does not form part of this report.

DIRECTORS' THIRD-PARTY INDEMNITY PROVISIONS

During the year, qualifying indemnity insurance was provided to the Directors. Such insurance remained in force through the year up to the date of signing the financial statements. No claim was made under this provision.

GOING CONCERN

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Company is profitable and has net current assets at year end of £78,000. It also generates positive cash flow from its trade such that it is able to meet its working capital requirements as they fall due. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

TFPL FINANCIAL SERVICES LIMITED

Report of the Directors
for the Year Ended 31 December 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' Report is approved:

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

ON BEHALF OF THE BOARD:



.....
C W Lynn - Director

Date: 2nd May 2017

TFPL FINANCIAL SERVICES LIMITED

Independent Auditors' Report to the Members of TFPL Financial Services Limited

REPORT ON FINANCIAL STATEMENTS

Our opinion

In our opinion, TFPL Financial Services Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Report of the Directors. We have nothing to report in this respect.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

TFPL FINANCIAL SERVICES LIMITED

Independent Auditors' Report to the Members of
TFPL Financial Services Limited

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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. With respect to the Strategic Report and Report of the Directors, we consider whether those reports include the disclosures required by applicable legal requirements.



Nigel Reynolds (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory
Auditors
London

Date: 2nd May 2017

TFPL FINANCIAL SERVICES LIMITED

Income Statement and other comprehensive income
for the Year Ended 31 December 2016

	Note	2016 £'000	2015 £'000
TURNOVER	4	<u>10</u>	<u>11</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	6	10	11
Tax on profit	7	<u>(2)</u>	<u>(2)</u>
PROFIT FOR THE FINANCIAL YEAR		8	9
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>8</u>	<u>9</u>


The notes form part of these financial statements

TFPL FINANCIAL SERVICES LIMITED (REGISTERED NUMBER: 02122895)

Balance Sheet
as at 31 December 2016

	Note	2016 £'000	2015 £'000
CURRENT ASSETS			
Debtors	8	52	108
Cash at bank		<u>49</u>	<u>3</u>
		101	111
CREDITORS			
Amounts falling due within one year	9	<u>(23)</u>	<u>(41)</u>
NET CURRENT ASSETS		<u>78</u>	<u>70</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>78</u>	<u>70</u>
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Retained earnings	12	<u>78</u>	<u>70</u>
TOTAL SHAREHOLDERS' FUNDS		<u>78</u>	<u>70</u>

These financial statements on pages 7 to 13 were approved by the Board of Directors on 2nd May 2017 and were signed on its behalf by:


.....
C W Lynn - Director

The notes form part of these financial statements

TFPL FINANCIAL SERVICES LIMITED

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Retained earnings	Total shareholders' funds
	£'000	£'000
Balance at 1 January 2015	61	61
Changes in equity		
Total comprehensive income	<u>9</u>	<u>9</u>
Balance at 31 December 2015	<u>70</u>	<u>70</u>
Changes in equity		
Total comprehensive income	<u>8</u>	<u>8</u>
Balance at 31 December 2016	<u><u>78</u></u>	<u><u>78</u></u>

The notes form part of these financial statements

TFPL FINANCIAL SERVICES LIMITED

Notes to the Financial Statements **for the Year Ended 31 December 2016**

1. GENERAL INFORMATION

The principal activity of the TFPL Financial Services Limited ("the Company") is credit brokerage. The Company holds a consumer credit licence and earns income by introducing the customers of Football Pools Games Limited to financial service providers. The Company operates in the UK and is regulated by the Financial Conduct Authority.

The Company is a limited company and is incorporated and domiciled in the UK. The address of its registered office is;

Walton House,
55 Charnock Road
Liverpool
L67 1AA

2. STATUTORY INFORMATION

TFPL Financial Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements of TFPL Financial Services Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 16, 38A, 38B, 38C, 38D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures.

CRITICAL JUDGEMENT

Management do not believe there to be any critical judgements or assumptions applied in the financial statements that have a material impact on the financial statements.

TURNOVER

Turnover represents commission earned from the marketing of financial service products, and is recognised at the point the relative marketing activities are performed on behalf of customers.

TAXATION

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

INTER COMPANY DEBTORS & CREDITORS

Intercompany balances are unsecured. No interest is charged on the loan and there is no specified repayment date although they are repayable on demand.

TFPL FINANCIAL SERVICES LIMITED

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

SUBSEQUENT EVENTS

On 2 March 2017, the Company's ultimate parent owner, Sportech PLC, has agreed to dispose of certain assets within its Football Pools division to OpCapita LLP, subject to certain conditions. This disposal will include the entire shareholding of TFPL Financial Services Limited. The Company's owner will therefore change. This is not anticipated to impact the principal activities of the business, however this will ultimately be determined by the Board in reviewing its activities under its new ownership structure. Completion of the deal is likely to result in the departure of M Kalifa as a director of the business, as he will continue as the Chief Financial Officer of the Sportech PLC Group.

GOING CONCERN

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Company is profitable has net current assets at year end of £78,000. It also generates positive cash flows from its trade such that it is able to meet its working capital requirements as they fall due. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Company. An analysis of turnover is given below:

	2016	2015
	£000	£000
United Kingdom	<u>10</u>	<u>11</u>

5. EMPLOYEES AND DIRECTORS

The Company has no employees (2015: nil). The Directors' remuneration is borne by another Group company.

6. PROFIT BEFORE TAX ON PROFIT

Fees payable in respect of the audit of these financial statements have been borne by Sportech PLC Group companies and no recharges have been borne by the Company.

7. TAX ON PROFIT

Analysis of tax expense

	2016	2015
	£'000	£'000
Current tax:		
UK Corporation tax based on the results for the year	<u>2</u>	<u>2</u>
Total tax expense in income statement and other comprehensive income	<u>2</u>	<u>2</u>

The tax assessed on the profit for the financial year is same as (2015: same as) the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)

Factors that may affect future tax charges

As the Company's year end is after the substantive enactment date (15 September 2016) of the Finance Act 2016, these financial statements account for the change in the UK Corporation Tax rate from 20% to 19% with effect from 1 April 2017, with a further change to 17% for financial years beginning 1 April 2020.

Therefore the rate at which deferred tax is calculated has changed. Deferred tax in the UK is provided at a blended rate, depending on when the deferred tax.

8. DEBTORS

	2016	2015
	£'000	£'000
Amounts owed by group undertakings	<u>52</u>	<u>108</u>

TFPL FINANCIAL SERVICES LIMITED

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£'000	£'000
Amounts owed to group undertakings	21	38
Corporation tax payable	2	3
	<u>23</u>	<u>41</u>

10. FINANCIAL INSTRUMENTS

Financial risk management policies and objectives

The Company has little or no exposure to either interest rate risk or foreign exchange rate risk, although the Company's does have some exposure to cash flow and liquidity risk. The Company does not use derivative financial instruments to hedge certain risk exposures.

The policy for each of the above risks is described in more detail below:

Cash flow interest rate risk

The Company has no significant interest-bearing assets. The Company's income and cash flows are substantially independent of changes in market interest rates.

Liquidity risk

Cash flow forecasting is performed on a weekly basis in the operating entities of the Company and is aggregated by Central Finance. This weekly forecasting recognises committed short-term payables of the Company which are monitored and managed through regular discussions with suppliers. Central Finance monitors rolling forecasts of the Company's liquidity requirements to ensure each operating entity has sufficient cash to meet its operational needs.

Credit risk

The Company's operations are UK based and have limited exposure to credit risk. Transactions are predominantly receipts from customers in respect of billed invoices. The amounts billed are predictable in nature, being based on commission earned on the renewal of financial services policies. Surplus cash is remitted to Group as and when required.

Financial assets and liabilities

The Company had the following categories of outstanding financial assets and liabilities at the reporting date:

	2016	2015
	£000	£000
Loans and receivables	52	108
Financial liabilities measured at amortised cost	<u>21</u>	<u>38</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
2 (2015: 2)	Ordinary	£1	<u>2</u>	<u>2</u>

12. RETAINED EARNINGS

	£'000
At 1 January 2016	70
Profit for the year	<u>8</u>
At 31 December 2016	<u>78</u>

TFPL FINANCIAL SERVICES LIMITED

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

13. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under FRS 101 in respect of transactions with related parties, on the grounds that it is a wholly owned subsidiary of a group headed by Sportech PLC, whose financial statements are publicly available. Accordingly no transactions with other Sportech PLC group members are disclosed. There were no other related party transactions in the year.

14. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is The Football Pools Ltd, incorporated in Great Britain.

The ultimate parent undertaking and controlling party is Sportech PLC, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The Directors regard Sportech PLC as the ultimate controlling party. Copies of Sportech PLC consolidated financial statements can be obtained from the Company's Secretary at Walton House, Charnock Road, Liverpool, L67 1AA.