

Meeron Limited

**Directors' report and financial
statements**

Registered number 3532120

For the 52 week period ended

27 December 2020



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Directors' report

The directors present their Directors' report and the financial statements for the period ended 27 December 2020.

Principal activities

The principal activity of the company is the provision and operation of a link bureau service to allow a number of bingo clubs to play link games simultaneously.

Business review

2020 was an understandably extremely challenging year for Meeron due to the coronavirus pandemic. The primary purpose of Meeron is to supply games and game services to licenced land-based bingo venues, all of which were closed from week 12 in FY2020. Though lock-down was eased from 4th July 2020, regional variances (Tier System) and devolved variances directed by the Welsh Assembly and Holyrood, saw the only weeks where all clubs being open occurring in September, with local lock-downs recommencing in early October.

2020 saw the permanent closure of 9 clubs which used Meeron services. In August 2020 Apple Sydenham opened and joined Meeron and in Q4 Carlton Bingo commenced playing some games through Meeron in their 10 clubs. As such the number of premises playing through Meeron increased by 2 in 2020 and currently 124 venues are scheduled to play.

The Meeron Steering Group met regularly throughout 2020 to review games and ensure all venues were supported throughout the year. This included the cancellation of all link games and their replacement with Covid Links. The most challenging month was in November which, with the full closure of all clubs in England and significant closures in Scotland, Meeron was supporting just 18 clubs. These 18 clubs invited 5 other clubs (Mecca and Buzz) to form Firebreak Links so all industry clubs could play together, facilitated by Meeron. I would like to thank the representatives from the Meeron Steering Group, Buzz and Mecca who ensured every operator was supported through this unprecedented and challenging time.

Meeron supported all venues by offering free and discounted services for 13 weeks once lock-down finished, starting with England from 4th July and Scotland and Wales when they were permitted to re-open. Meeron further supported all venues by not charging when enforced closure was required by local, assembly or government instruction. Income in FY 2020 was £624k behind budget. Net cash outflow for 2020 was £228k.

Government and Local Authority support to Meeron was limited to just the furlough scheme. Meeron fully furloughed the Games Manager and Game Control team during lock-down and continued to use furlough as required on a part-time basis due to the limits on club participation and games played in the second half of 2020. Team members also took a voluntary salary sacrifice for months where no income was generated. The combined impact of all measures taken was £68k.

At the end of 2020 the Meeron balance sheet stands at £798,000.

Due to the pressure on cash-flow and the balance sheet, the proposed auto-caller PC and network upgrades have been postponed. The project cost was £250,000 and auto-caller PC replacement will continue to be supported on an ad hoc basis under existing support agreements. Individual venues will have network upgrades from MPLS to FTTC as directed by Openreach, due to the phasing out of MPLS.

My thanks go to the board of Meeron and ISD for their support and assistance in 2020.

Proposed dividend

The directors have approved a payment of a dividend of £nil during the period (2019: £52,058).

Directors' report *(continued)*

Key Performance Indicators

	2020	2019	% variance
Main Stage			
Tickets sold	64,088,064	135,542,210	(52%)
Monies Staked	£4,380,144	£10,156,355	(57%)
Prizes Paid	£4,417,699	£10,599,257	(58%)
Service Charge Revenue	£90,342	£283,036	(68%)
MCB			
Boards sold	33,036,030	64,021,950	(48%)
Monies Staked	£10,368,917	£21,647,700	(52%)
Prizes Paid	£10,368,920	£21,647,700	(52%)
Service Charge Revenue	£252,551	£582,023	(57%)
Offline Games			
Boards sold	1,694,698	4,426,098	(62%)
Monies Staked	£235,812	£608,181	(61%)
Prizes Paid	£201,400	£581,500	(65%)
Service Charge Revenue	£26,986	£69,304	(61%)

Directors and directors' interests

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

M Baron (Chief Executive)
J Harris
M Jepp
D Robson

Political and charitable contributions

The company made no political donations during the period (2019: *£nil*). The company made charitable donations of *£nil* during the period (2019: *£nil*)

Events after the balance sheet date

Following the outbreak of the Covid-19 global pandemic declared by the World Health Organisation, the Company has adapted its practices and operations in line with government guidance. The Directors have outlined the considerations of this event within Note 2.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



M Baron
Director
04 June 2021

75 High Street North, Dunstable
Bedfordshire LU6 1JF

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 applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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; and
- 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEERON LIMITED

Opinion

We have audited the financial statements of Meeron Limited ("the company") for the 52 week period ended 27 December 2020, which comprise the profit and loss account, balance sheet and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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.

Material uncertainty related to going concern

We draw attention to note 2 to the financial statements which indicates that due to the ongoing Covid-19 pandemic, should Covid-19 continue to impact the business through a further national lockdown which would result in the temporary closure of Bingo Halls, the company would be dependent on acquiring additional financing to secure the future of the company. These events and conditions, along with the other matters explained in note 2, constitute a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- 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 MEERON LIMITED *(continued)*

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 of the nature of the revenue recognized and the fact cash is received shortly after revenue is recognized.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted with unusual descriptions and those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-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, through discussion with the directors and other management (as required by auditing standards), 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. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEERON LIMITED *(continued)*

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.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEERON LIMITED
(continued)

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.

C. Anderson

Charlotte Anderson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE

4 June 2021

Profit and loss account
for the period ended 27 December 2020

	<i>Note</i>	2020 £000	2019 £000
Turnover		396	1,042
Administrative expenses	2	(920)	1,043
Operating (loss)		(524)	(1)
Interest receivable and similar income	5	2	3
(Loss) / profit on ordinary activities before taxation		(522)	2
Tax on profit on ordinary activities	6	7	(14)
(Loss) for the period		(515)	(12)

A statement of comprehensive income has not been presented as all recognised gains and losses for both periods have been reflected in the profit and loss account.

All income of the company is derived from continuing operations.

The notes on pages 12 to 19 form part of these financial statements.

Balance sheet
at 27 December 2020

	<i>Note</i>	2020 £000	2020 £000	2019 £000	2019 £000
Fixed assets					
Tangible assets	7	158		266	
Investments	8	155		224	
			313		490
Current assets					
Debtors	9	183		233	
Cash at bank and in hand		681		909	
		864		1,142	
Creditors: amounts falling due within one year	10	(379)		(319)	
Net current assets			485		824
Total assets less current liabilities			798		1,313
Net assets			798		1,313
Capital and reserves					
Called up share capital	12	-		-	
Profit and loss account	13	798		1,313	
Shareholders' funds			798		1,313

The notes on page 12 to 19 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

These financial statements were approved by the board of directors on 04 June 2021 and were signed on its behalf by:



M Baron
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

Meeron Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 3532120 and the registered address is 75 High Street North, Dunstable, Bedfordshire, LU6 1JF.

These financial statements were prepared in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company is exempt by virtue of s399 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

The Company as at 31 December 2020, had net current assets £485,000 and net assets of £798,000.

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

The directors have prepared profit and cash flow forecasts for the period up to 31 December 2022 to assess whether the Company is able to meet its liabilities as they fall due within that period. The Company finances its working capital needs through its available cash balances.

In preparing those forecasts they have considered the impacts of Covid-19. Specifically, they have considered a severe but plausible downside scenario in which:

- Revenues do not re-commence following the national lockdown until June 2021.
- Revenues are forecast to gradually return through 2021, starting with a 25% return of pre Covid-19 revenues (based on an average of FY 2019 revenues) in June 2021 through to 90% return of pre-Covid revenues from October 2021 onwards.

Mitigating cost control actions that are within managements control have been considered for the forecast period. These forecasts indicate that even in the severe but plausible downside scenario the Company will be able to settle its liabilities as they fall due for that period. However, at the date of approval of these financial statements, the roadmap for the unwinding of the government's pandemic restrictions is uncertain and should the impact of Covid-19 and further national or local lockdowns exceed the severe but plausible downside, additional financing may be required for the company to continue as a going concern.

Based on the severe but plausible downside forecasts, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, the circumstances described above in relation to the uncertainty of the Covid-19 pandemic and the availability of financing represent a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Equipment, computers and software 3-5 years

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Turnover

Turnover represents the amounts (excluding value added tax) derived from management fees paid by each club. Turnover is recognised weekly on an accruals basis once a week's worth of games is complete. All turnover is derived in the UK.

Employee Benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Basic financial instruments

Basic financial instruments comprise investments in subsidiaries, trade and other debtors, cash and cash equivalents and trade and other creditors.

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment.

Notes (continued)

2 Expenses and auditor's remuneration

	2020 £000	2019 £000
<i>Included in profit/loss are the following</i>		
Auditor's remuneration:		
Audit of these financial statements	24	19
Other services relating to taxation	6	6
Depreciation and other amounts written off tangible fixed assets – owned	109	59
Impairment	69	69
	<u> </u>	<u> </u>

3 Directors' remuneration

	2020 £000	2019 £000
Directors' fees	-	5
	<u> </u>	<u> </u>

In addition to the Directors' fees above, the notional cost of other Directors of the Company has been assessed as £37,600 (2019: £37,600). This was borne by The National Bingo Game Association Limited during the year.

4 Staff numbers and costs

The average number of persons employed by the company during the period (including directors), analysed by category, was as follows:

	Number of employees 2020	2019
Head office – administration and operations	8	8
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2020 £000	2019 £000
Wages and salaries	88	149
Social security costs	7	12
Pension costs	7	6
	<u> </u>	<u> </u>
	102	167
	<u> </u>	<u> </u>

Staff costs above include CJRS income of £51,797.

5 Interest receivable and similar income

	2020 £000	2019 £000
Bank interest	2	3
	<u> </u>	<u> </u>

Notes (continued)

6 Taxation

	2020 £000	2019 £000
<i>UK Corporation Tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior period	(32)	-
	<hr/>	<hr/>
Total current tax	(32)	-
<i>Deferred Tax</i>		
Changes in deferred tax arising from the origination and reversal of timing differences	-	14
Adjustments in respect of prior periods	29	-
Other adjustments	(5)	-
	<hr/>	<hr/>
Total deferred tax	24	14
	<hr/>	<hr/>
Total tax	(8)	14
	<hr/>	<hr/>

Reconciliation of effective tax rate

Factors affecting the tax charge for the current period

The tax assessed for the period is higher than (2019: higher than) the effective standard rate of corporation tax in the UK of 19% (2019: 19%) applied to the pre-tax loss (2019: profit) of the company.

	2020 £000	2019 £000
(Loss) / Profit-for the period	(515)	(12)
Total tax (credit) / expense	(7)	14
	<hr/>	<hr/>
(Loss) on ordinary activities before tax	(522)	2
	<hr/>	<hr/>
Tax using the UK standard rate of corporation tax of 19% (2019: 19%)	(99)	-
Effect of:		
Other differences	(4)	3
Reduction in tax rate on deferred tax balances	-	(2)
Expenses not deductible for tax purposes	13	11
Deferred tax assets not recognised	86	-
Adjustments to tax charge in respect of previous periods	(32)	-
Adjustments to deferred tax charge in respect of previous periods	29	-
	<hr/>	<hr/>
Total tax (credit) / expense	(7)	14
	<hr/>	<hr/>

A UK corporation tax rate of 19% (effective from 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%, and the UK deferred tax asset as at 31 December 2020 has been calculated based on this rate. In the 03 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. The deferred tax asset at 27 December 2020 has been calculated based on these rates.

Notes (continued)

7 Tangible fixed assets

	Equipment, computers and software £000
<i>Cost</i>	
At beginning of period	3,600
Additions	1
	<hr/>
At end of period	3,601
<i>Depreciation</i>	
At beginning of period	3,334
Charge for period	109
	<hr/>
At end of period	3,443
<i>Net book value</i>	
At 27 December 2020	158
At 29 December 2019	266

8 Investments

	Shares in subsidiary undertakings £000
<i>Cost</i>	
At beginning and end of period	293
<i>Impairment</i>	
At beginning of period	69
Impairment losses	69
	<hr/>
At end of period	138
<i>Net book value</i>	
At 27 December 2020	155
At 29 December 2019	224

Subsidiary undertakings	Country of incorporation	% and class of share owned	Principal activity
ISD Computer Services Limited	United Kingdom	100% of the ordinary share capital	IT Services

In 2018 Meeron Limited acquired 100% of the ordinary share capital of ISD Computer Services Limited. The principal activity of ISD Computer Services Limited is the provision of IT services for the Bingo Industry. The carrying value of the investment has been reviewed for impairment and is a true and fair representation of the value of the company. The registered address of ISD Computer Services Limited is 75 High Street North, Dunstable, Bedfordshire, LU6 1JF.

Notes (continued)

9 Debtors

	2020 £000	2019 £000
Amounts owed by group undertakings	20	81
Prepayments and accrued income	74	74
Deferred tax (see note 11)	43	67
Other debtors	46	11
	<hr/> 183	<hr/> 233
	<hr/> <hr/>	<hr/> <hr/>

10 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Amounts owed to group undertakings	13	8
Trade creditors	27	40
Undistributed prizes (see note 15)	309	197
Corporation tax	1	1
Other taxation and social security	-	31
Accruals and deferred income	29	42
	<hr/> 379	<hr/> 319
	<hr/> <hr/>	<hr/> <hr/>

11 Deferred taxation

The undiscounted deferred tax asset is set out below and calculated at 19% (2019: 17%):

	Deferred tax £000
Asset at the beginning of the period	67
Charge to the profit and loss account	(24)
Asset at the end of the period	<hr/> 43
	<hr/> <hr/>

Deferred tax asset at the end of the period

	2020 £000	2019 £000
Differences between accumulated depreciation and capital allowances	36	67
Short term temporary differences	2	-
Other deductions	5	-
	<hr/> 43	<hr/> 67
	<hr/> <hr/>	<hr/> <hr/>

The company has an unrecognised deferred tax asset of £77k (2019: £nil).

Notes (continued)

12 Called up share capital

	2020 £	2019 £
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	2	2
	<u> </u>	<u> </u>

13 Reserves

	Profit and loss account £000
At beginning of period	1,313
Loss for the period	(515)
At end of period	798
	<u> </u>

14 Related party transactions

The company has taken advantage of the exemption from disclosure of transactions with wholly owned group undertakings.

During the period M Baron was Chief Executive of The Bingo Association, the trade association of the licensed bingo industry in Great Britain. Subscription fees were paid in the period to The Bingo Association Limited of £112,356 (2019: £138,000). At 27 December 2020, there was a net outstanding balance of £22,471 owed from Meeron Limited to Bingo Association Limited (2019: £13,800).

The following directors are also directors of companies that enter into transactions with Meeron Limited. All the following related party transactions were conducted on an arm's length basis. The transactions relate to charges per Link game played. At the balance sheet date there are no balances outstanding with any of the related parties.

Company	Director	Amount received 2020 £000	%	Amount received 2019 £000	%
BJs Luxury Bingo	D Robson	12	12	24	11
Castle Leisure Limited	J Harris	34	33	82	37
Majestic Bingo Limited	M Jepp	57	55	117	52

The above amounts exclude VAT.

Notes *(continued)*

15 Retained stake

	£000
	Total
Opening undistributed prizes	197
Money received from clubs	336
Prizes paid out in the period	(224)
	<hr/>
Closing undistributed prizes	309
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16 Ultimate parent company and parent undertaking of smallest and largest group of which the company is a member

The company is a wholly owned subsidiary undertaking of The National Bingo Game Association Limited, which is incorporated in England and Wales. The National Bingo Game Association Limited, the ultimate controlling party, does not prepare consolidated financial statements. The financial statements of The National Bingo Game Association Limited can be obtained from 75 High Street North, Dunstable, Bedfordshire, LU6 1JF.

17 Accounting Estimates and Judgements

The Directors have considered key accounting estimates and judgements and do not consider any of the estimates or judgements to have a significant impact on these financial statements.