Guidance for financial documents used for applications

Version history

Version 1.0 of April 2021

- Publication of the guide

Version 1.01 of June 2021

- Clarification of sections 18 and 19

Version 1.02 of August 2026

- General clarification of “Documentation requirements – Part 1” and “Documentation requirements – Part 2 (Budget template)”

1. Financially responsible operation of a gambling business

This guide describes the financial documents that must be attached to an application for a licence to offer betting or online casino. The documents are listed under item 28 in the application form.

Section 29 of the Gambling Act says that licences can only be issued to applicants who are deemed capable of operating a gambling business in a financially responsible manner. The requirement for financial responsibility must be sustained for the duration of the licence. For this reason, several documents must be submitted in connection with the application, which can form the basis for an assessment of whether it can be expected that the applicant can operate a gambling business in a financially responsible manner. In the assessment, the Danish Gambling Authority especially consider that:

- The business is capable of paying winnings,
- There is sufficient liquidity in the business to manage investments, for example in form of reel cash and cash equivalents or guarantees from other supporting businesses, for example a parent company, a bank connection or personal guarantees,
- Budgets agree with the goals that are set out in the business plan, and
- Sufficient capital is allocated to operating the applicant business.

The individual documents that must be submitted are reviewed in the following. These cover documents that the applicant must prepare themselves as well as standard templates that must be completed by the applicant. For further information about how the documents must be submitted, and how the applicant themselves can assist in a fast and efficient processing of the application, please see section 2 on “the applicant’s naming, numbering and explanation of documents”.

The first part of the guide describes the documents that must be prepared by the applicant themselves or obtained from their consultants. The second part of the guide describes the information that must be completed in the Danish Gambling Authority's budget template.

Unless otherwise stated in the guide, the documentation requirements must be stated for the entire business of the applicant company, and thus not solely for the applicant's Danish activities.

For the Danish Gambling Authority to make an accurate and factual assessment of the applicant's ability to operate a gambling business in a financially responsible manner, it is a condition that the material submitted presents a true and fair view of the applicant's business. Hence, it is a general requirement that the material submitted cannot be more than 3 months old at the time of application. There are some documents where the timeliness requirements of three months may vary, and in these cases, the deadline is stated in the text. Material that has exceeded the deadline at the time of application will be rejected and the Danish Gambling Authority will therefore not be able to make an assessment of the applicant company's business until new up to date material has been submitted.

Documentation requirements - Part 1

1) Business plan

A business plan must be submitted covering the entire applicant company. The business plan must describe all significant and strategic considerations, including, for example, plans for growth, major investments in assets, marketing initiatives, etc. If the business plan includes initiatives that require investments, a financing plan must also be prepared, for example through available funds, loans, guarantees, or a combination thereof. The business plan and the budget template must be consistent and based on the same budget assumptions.

2) The applicant's audited annual accounts for the last five years

The applicant must submit audited annual accounts for the last five years. If annual accounts for all five years are not available – for example, in the case of a newly established company – the applicant must submit the annual accounts that do exist. The applicant must also provide a printout of the most recent trial balance, as well as an overview of issued collateral and guarantees. The annual accounts and the most recent trial balance are used to reconcile the figures in the annual accounts with those in the budget template. The date of the trial balance printout must be specified. Collateral and guarantees are used to assess the applicant's potential obligations.

4) Deed of foundation or certificate of registration for the applicant company

The applicant company's most recent articles of association must be submitted, and they must, at a minimum, be signed by the chairman of the board.

5) Most recent articles of association for the applicant company

The applicant must submit the most recent articles of association for the applicant company and these must be signed by all board members.

6) Organisation chart of the group

The applicant must submit an organisation chart of the group providing a complete overview of the group of which the applicant is a part. All parent companies, subsidiary companies, and sister companies of the applicant must therefore appear from the organisation chart. The applicant company must be clearly highlighted in the organisation chart. As a comment to the group structure chart, please specify the activity of each company, for example gaming activity in another jurisdiction, marketing, or other activities unrelated to gaming operations.

The organisation chart of the group must include all relations up to the natural persons owning at least 10 percent of the voting rights or capital of the group.

In addition, it must be stated if the applicant company, the subsidiary company or the sister company have owners who are not directly a part of the group and who have ownership interests of at least 10 percent.

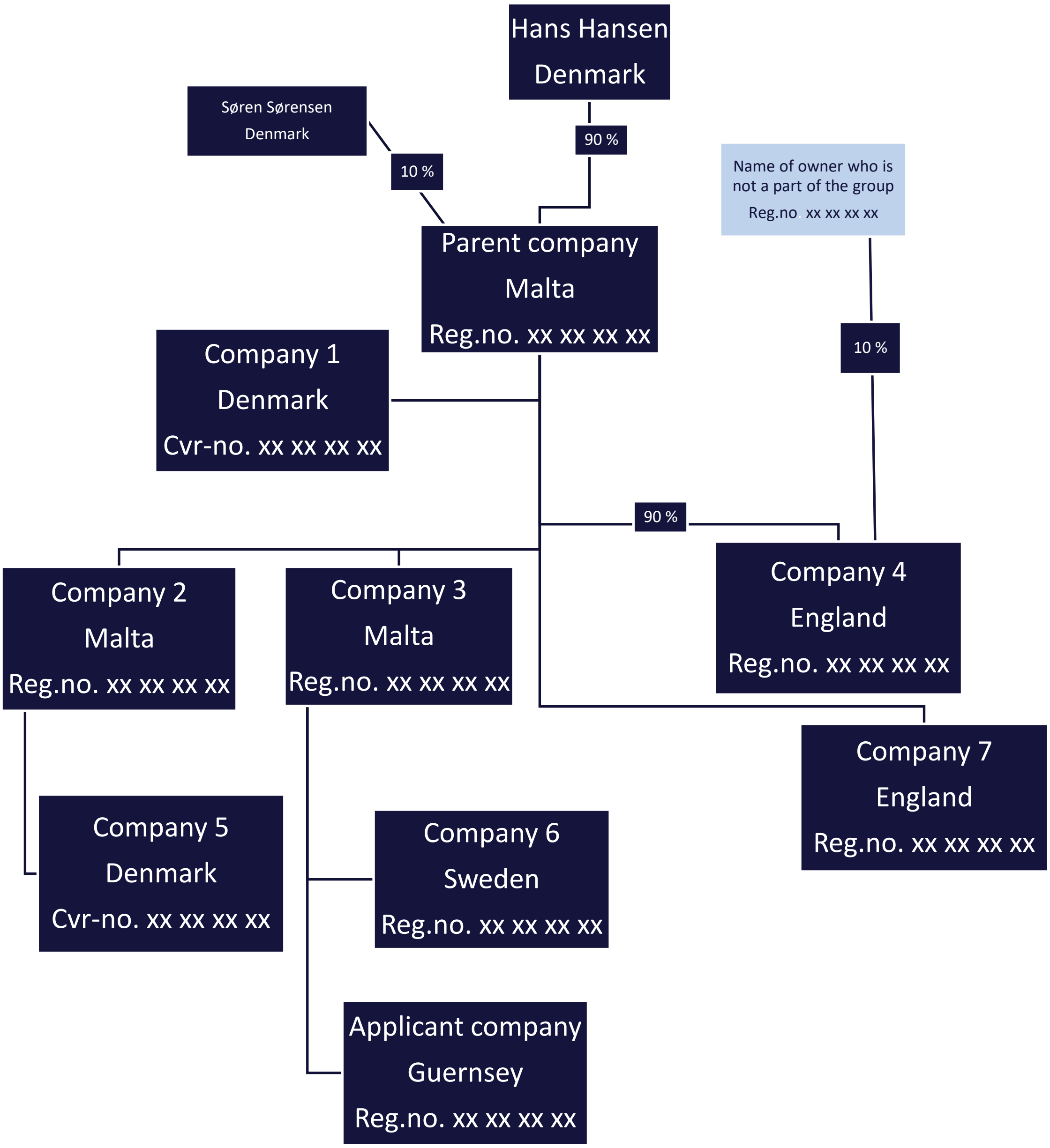
It must be stated in the organisation chart of the group how large ownership interests each company and person has.

The organisation chart of the group must include names and company registration number of all companies/units part of the group. If a company/unit does not have a company registration number, a corresponding registration number from the home country must appear along with a statement of the home country.

If a listed company is part of the group, the company’s group of owners does not need to appear from the organisation chart of the group, however, it must be highlighted that the company is listed.

If a commercial foundation or another autonomous legal arrangement owns the group, the chart must show all owner relations up to here.

An organisation chart may for example be constructed as such:



7) Description of the gambling activities in the group

If there are companies in the group that already operate gambling activities, it must be described in the document. From the description, it must appear:

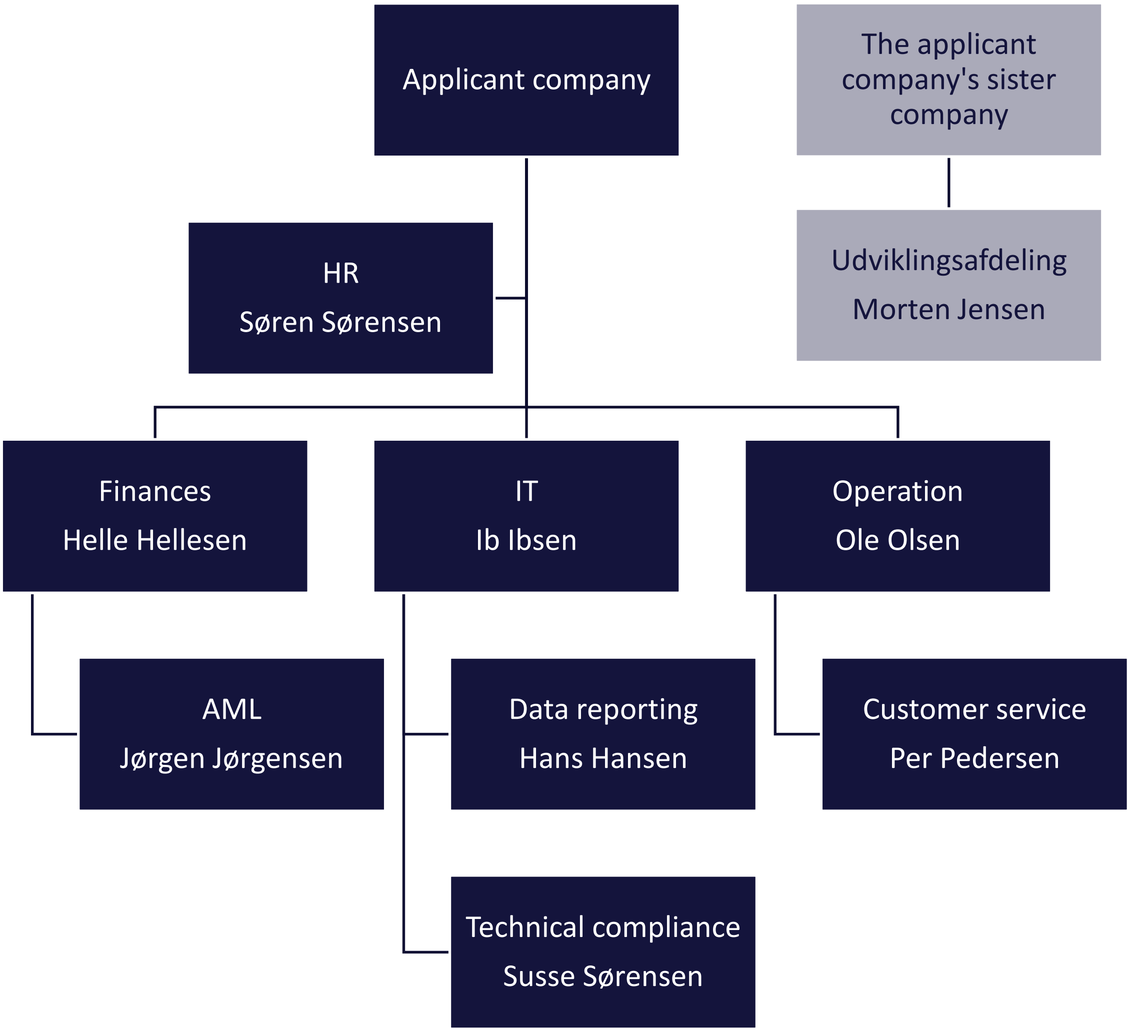
- What the gambling activity covers, for example land-based casino, online casino, betting, land-based gaming machines or lottery games
- In which company the activity is conducted
- In which countries the gambling activity is offered.

If the gambling activities require a licence, it must be stated, and a copy of licences from the applicant company must be attached to the application.

8) Chart of the company's organisational structure

The applicant must submit an organisation chart including a hierarchical structure of the individual divisions and subdivisions at the applicant company. The chart must also state which persons are responsible for the functions performed by the divisions, for example compliance, technical matters, or customer relations etc. If the functions are performed in other parts of the group, this must be stated. Functions performed in other parts of the group can either be stated in the organisation chart or in an independent document.

For example:



9) List of CxOs and other relevant employees responsible, as well as CV's for persons on the list

The overview must include full names and titles of persons in the management and other CxO-level executives and as a minimum:

- CEO (Chief Executive Officer)
- CFO (Chief Financial Officer)

- CTO (Chief Technical Officer)
- CCO (Chief Compliance Officer)
- MLRO (Money Laundering Reporting Officer)

A CV must be attached for each person, which can verify that the person in question has the competences to perform their position in a professional and sound manner. The same person can hold several positions. Please notice that for the persons on the list, the applicant must attach a personal declaration, Annex A, and the persons must be stated in the application form.

10) Overview of the group's gambling licences and types pf games in other countries

The Danish Gambling Authority requests a detailed description of relevant circumstances that are related to the group's gambling activities that may influence the Danish business. The description must include information about whether the applicant hold gambling licences in other countries and whether these gambling activities have another risk profile than the activities applied for in Denmark. If the applicant is financially dependent on the parent company, it must be stated whether other companies in the group have gambling activities, in which countries, and whether these gambling activities have another risk profile, than the activities applied for in Denmark. The applicant may for example:

- Have a greater willingness to take risks on e.g. betting,
- Offer other types of games on other markets,
- Offer games with higher stakes and thereby greater winnings than expected in the Danish market, or
- Have entirely other activities in the companies that the applicant is financially dependent on.

11) Rejection of application for gambling licence for the applicant and its associated companies

If the applicant company or additional companies in the group have received a rejection of an application for a licence to offer gambling in Denmark or other countries, the reason for this must be stated.

For the applicant company, the rejection letters must be attached.

If the applicant and additional companies in the group have not received rejections of applications for a gambling licence, we request that the management confirm this.

12) Revocation of licences

If the applicant company or additional companies in the group have has a gambling licence revoked in Denmark or other countries, this must be stated. The letter of revocation of the licence to offer gambling activities must be attached to the application. If the applicant and additional companies in the group have not had gambling licences revoked, we request that the management confirm this.

13) Overview of legal disputes/current legal cases and debt to tax authorities

A document providing an overview of all cases/disputes with a potentially financial obligation for the applicant company or additional companies in the group must be submitted. The overview must include an assessment of the likelihood that the applicant is liable to the obligation, an assessment of the size of the obligation, as well as an assessment of the consequences when the obligation begins, including how the obligation will be financed.

In addition to this, the applicant must attach a declaration from the public taxation authorities in the country in which the applicant company is established. The declaration must document whether the applicant has overdue debt obligations to the public authorities in the home country.

14) Engagement overview from the applicant's main banking institution

An overview from the applicant company's primary bank must be submitted, and it must be prepared according to the usual practice in the applicant company's jurisdiction. The engagement overview must be in Danish or English. The primary bank is defined as the banking institution where the applicant company places most of their banking activities. If the applicant's banking activities are equally shared between more banking institutions, engagement overviews must be sent from all banking institutions.

15) List of debtors

The applicant must send a list of the applicant company's debtors. The list of debtors must show any receivables from debtors and the list must be ordered by age according to the following criteria:

- Debtors with no unpaid receivables
- Unpaid receivables 30 – 60 days
- Unpaid receivables 60 – 120 days
- Unpaid receivables more than 120 days

If the applicant's financial system uses a different ageing analysis, that ageing analysis may be applied, provided it is clearly indicated which ageing method the applicant uses.

16) List of creditors

The applicant must send a list of the applicant company's creditors. The list of creditors must provide an overview of the applicant's debts. The list must be ordered by age according to the following criteria:

- Suppliers where there is no unpaid debt
- Unpaid debt 30 – 60 days
- Unpaid debt 60 – 120 days
- Unpaid debt more than 120 days

If the applicant's financial system uses a different ageing analysis, that ageing analysis may be applied, provided it is clearly indicated which ageing method the applicant uses.

17) Risk management tool

The applicant company must account for how they manage risks in the company. If the applicant uses a formalised risk management tool, a detailed description of the applicant's risk management model must be submitted, including a copy of the applicant's risk log or similar risk management tools, if relevant. It must clearly appear which parts of the business that are covered by the risk management, for example payment of winnings or breakdowns of systems. The individual procedures covered by the risk management tool must be submitted as well as documentation that shows that risk management is in fact performed in the business. If risk management is not performed in the business, we request that the management confirm this.

18) The applicant's ethical code

The applicant's guidelines for behaviour in the company must be submitted (e.g. code of conduct). If a group-wide code of conduct is used, this must be explained, and it must be submitted together with considerations regarding any specific conditions relevant to the Danish market.

19) Procedures and policies for operations, accounting and setoff-free account

A detailed description of the applicant's procedure for managing accounting, including a description of IT systems and internal control measures must be sent to the Danish Gambling Authority.

The applicant must send the procedure for updating and management of the setoff-free account. In connection with renewal of an existing licence, the applicant must also send documentation for balancing of the setoff-free account is in fact performed. This can be documented by sending printouts of the applicant's gaming system, which shows the players' total credit balances. In addition, printouts of postings from the applicant's setoff-free bank account can also be sent, which shows that the account has been balanced in relation to the gambling system.

The applicant must send the policies that are prepared for the applicant's operations, for example policy for paying dividend, policy for investments, policy for gearing, policy for guarantees and policy in relation to creditors, etc.

20) Procedure for management of ongoing adjustment of odds

If the application covers provision of betting, the documentation must include a detailed description of how the business manages/adjusts their odds on an ongoing basis. This may include setting caps, monitoring exposure levels, etc., in order to limit undesirable risks, for example in situations where many players place bets on the same outcome. This may be done by buying odds through a reliable third party or by having automatic odds adjustments.

21) Calculation of the largest possible payment of winnings

The applicant must calculate and submit a detailed description of the largest possible payment of winnings to a player and the risk of this happening. The documentation must include the mathematical probability of paying the largest possible winnings. In addition, the applicant must also send information on how jackpots offered through subcontractors are managed (if relevant).

Information for management of the largest possible payment of winnings by wager must also be describes, such as if there are limits on the highest odds, maximum stake in relation to odds etc. If this in not a part of the company's procedure, it has to be noticed for this item.

An example of the calculation of the largest possible payment of winnings could be a winning slot machine that pays out the stake multiplied by 10,000 as the top prize. If the maximum stake on such a winning slot machine is 50 kroner, the maximum payout is 10,000 × 50 = 500,000 kroner, with a probability of x-%. For the calculation, it is irrelevant how many players place the maximum stake. If the applicant applies a cap on winnings, this must be described.

22) If relevant, a copy of declaration(s) of financial support and/or other undertakings to provide financial support

Based on the application material submitted, the Danish Gambling Authority will assess whether the applicant needs a declaration of financial support from a parent company or others. A declaration of support will always be requested by the Danish Gambling Authority of the company's need of liquidity is not met by the applicant company's financial situation.

If the applicant has already received a declaration of financial support from e.g. the parent company or a bank, a copy of the declaration must be attached to the application.

A declaration of financial support must be legally binding and cannot in itself be a declaration of intent. Thus, the Danish Gambling Authority have prepared a standard template for a declaration of financial support, which is available on the Danish Gambling Authority's website or can be acquired with one of the Danish Gambling Authority's employees. It is not required that the template be used, but the Danish Gambling Authority assesses that this template includes a sufficiently high legal security and therefore the use of this will meet the requirement for the declaration of financial support. If a declaration of support is submitted, the most recent five audited annual accounts for the company or the individual issuing the statement must be submitted at the same time.

23) Sensitivity to adverse price/exchange-rate movements

Procedures must be submitted describing how the applicant manages the risk of adverse exchange-rate and currency fluctuations when operating in multiple currencies.

Documentation requirements – Part 2 (Budget template)

Several accounting data must be submitted via the budget template prepared by the Danish Gambling Authority in which relevant information must be stated. The template is available at the same place as the application form, or it can be acquired from one of the Danish Gambling Authority's employees. The template is prepared in Excel and includes individual tabs for the areas for which budget and accounting data must be submitted. The budget template is a method of aligning the financial data that cover liquidity, profitability and financial soundness and make it easier for the applicant to know which information to provide. When data is entered into the template, income must be positive figures and expenses negative figures.

Budget and budgetary assumptions must be submitted regardless of whether the company is listed or not.

Explanation of budget templateThe budget template includes a front page with an explanation of what must be entered in each tab. In addition, this guidance document contains a description of the required data input.

In the budget template you must enter data on the following:

- Profit and loss (Tab: P&L)
- Balance sheet (Tab: Balance sheet)
- GGR specifications (Tab: GGR Spec)
- Applicant's first-year budget divided into months (Tab: First-year budget per month)
- Number of customers (Tab: KPI)

The applicant should specify the financial circumstances of the prespecified titles in each tab. The individual tabs must be completed in the cells that are highlighted in yellow.

For all tabs, except the worksheet "First-year budget per month", the following information must be completed:

- Accounting data for the last five years if there has been previous activity.
- Year-to-date realised data
- Forecast information for years two and three

The individual tabs are related. This means that the worksheet "P&L" automatically gathers GGR-data from the worksheet "GGR Spec", which means that identical data in principle only needs to be entered once.

It is important in cases where the applicant company has activities in several markets that the budget template is completed with data for all the applicant's activities, and not just the Danish activities, so that the Danish Gambling Authority can assess the whole of the applicant company's financial basis.

Each tab also includes the option to enter a comment on the data. This must be filled out if there is significant development between previous years' results and future budgets, or if data is entered in cells marked "other," so that it is specified what "other" refers to. In these cases, the comment fields turn red, indicating that the field MUST be filled out with an explanation describing the development in the financial data.

First-year budget per month

The first-year budget per moth must only be filled out by newly established companies that have not yet generated any revenue in the applicant entity.
The first-year budget per month is entered in the predefined headings under the worksheet "First-year budget per month". The data is entered in the cells that are highlighted in yellow.
In addition, the budgetary assumptions must be attached in the comment section, which must include mention of significant relations that the prepared budgets are based on, especially including:

- Development on turnover,
- Expected market share in Denmark,
- Development in costs, and

- Investments in material fixed assets and the capital resources, including the size of established credit facilities with banks and any special conditions connected to this.

It must be clearly indicated how the budget assumptions have been incorporated into the profit and loss budget, the balance sheet budget, and the liquidity budget.

If the comment section turns red, it must be filled out.

Profit and loss accounts (P&L)

Profit and loss are entered in the predefined headings under the worksheet "P&L". The profit loss account must reconcile with the annual account with respect to revenue and profit The following data must be entered under each heading:

- Accounting data for the last five years
- Budget information for the first 12 months
- Year-to-date realised data
- Forecast information for years two and three

In addition, budgetary assumptions for profit and loss must be attached in the comment section. The budgetary assumptions must cover significant factors, including changes in turnover and costs. When the comment section turns red, it must be filled out.

Payouts and other adjustments are filled in automatically once the **"GGR spec"** tab has been filled out.

There are predefined revenue and cost lines. These are indicative. If any lines are missing, the "other" line may be used. When the "other" line is used, the comment field turns red, and it must specify which costs/revenues are included under these lines.

Balance sheet

The balance sheet must be completed in the predefined headings under the worksheet "Balance sheet". The balance sheet must reconcile with the annual account. The following data must be entered for each heading:

- Accounting data for the last five years
- Year-to-date realised data
- Forecast information for years two and three

In addition, the budgetary assumptions for the balance sheet must be attached in the comment section. The budgetary assumptions must cover significant factors, especially including investments in material fixed capital. If the comment section turns red, it must be filled out..

GGR Specifications

Data on GGR must be entered in the predefined heading under the worksheet "GGR spec".

- Total stakes,
- Total pay-outs,

Other adjustmentsTotal stakes indicate the total amount wagered by players. Payouts show what the operator has paid out in winnings, while other adjustments are regulatory entries and corrections.

The following information must be entered for each item.

- Accounting data for the last five years
- Year-to-date realised data
- Forecast information for years two and three

If the applicant wants to offer different types of games under the licence, the data on GGR must be specified in relation to the following gambling sectors:

- Peer-to-peer games,
- house-banked games

Peer-to-peer is a form of gaming in which players compete against each other rather than against an operator, while house-banked games are a form of gaming in which the player competes against an operator, such as a casino

In addition, budgetary assumptions for the GGR data must be filled out in the comment section for the information on GGR, including any material factors, particularly if there are changes in the distribution between the different gaming areas. When the comment section turns red, it must be filled out..

Key performance indicator (KPI)

Under the worksheet “KPI”, relevant key performance indicators are calculated based on the data entered in the additional part of the budget template. The information can help the applicant confirm that the data entered is correct.

In the “KPI” tab, the number of customers at end-of-period as well as the number of new customers (first-time depositors) are the only pieces of information that must be entered manually.

The number of customers at end-of-period refers to the total number of active players registered at the end of the financial year or year-to-date for the relevant year.

The number of new customers (first-time depositors) refers to the total number of customers who make their first deposit with the company during the specified period and who have not previously had an active customer relationship.

In addition, budget assumptions must be provided in the comment section regarding customer inflow, including material factors that affect the number of customers, such as increased marketing expenses or expansion into new markets.

For all the automatically calculated KPIs, explanations must be stated in the comment section of the individual KPIs are on a high or low level or if there are great variations. If the comment section turns red, it must be filled out. The following KPIs are calculated:

- Return on assets (ROA)
- Return on sales (ROS)
- Return on equity (ROE)
- Average turnover per customer
- Cost per acquisition (CPA)

- Solvency rate
- Analysis of cashflow
- Liquidity ratio

2. The applicant’s naming, numbering and explanation of documents

To ensure a fast and efficient processing of the application, we urge you to send one file per document requirement, and that the individual document files are named and numbered according to the application form’s item 28. For example, “Item28.01_Organisation_chart.pdf” or “Item28.02_Deed_of_foundation.pdf”. In this way, it is easier for the person responsible for the case to get an overview of the complete application material. The documents must be sent as pdfs or a similar format that indicates that the document is final. However, we request that the budget template be submitted in the format available on the Danish Gambling Authority’s website.

It is also important for a fast and efficient application process that all documents are submitted at the same time, so that there is the greatest possible correlation between the timeliness of the documents.

As a principle, all documents must be submitted in connection with an application. However, if there are some documents that the applicant cannot submit, we request that the applicant attach a document with an explaining the reason for why these documents are not attached to the application. In this way, the Danish Gambling Authority can take this into account when processing the application.

If a document contains other information than what is required according to an item in the application, then we request that the applicant state exactly where in the document that the required information can be found. Data submitted in connection with the application process and which does not appear from information requested under item 28 will not be part of the Danish Gambling Authority’s assessment.

The application form’s item 28 includes checkboxes for each documentation requirement for assessment of the applicant’s financial situation. The checkboxes are a tool for the applicant to ensure that a complete application with the complete application material is submitted. This will further the processing of the application.

The Danish Gambling Authority does not begin the processing of the application before the application material is complete.

3. Standard templates

Template for declaration of financial support

The Danish Gambling Authority has prepared a template for a declaration of financial support expressing sufficient legal security. It is up to the applicant whether they choose to use the template for the declaration of financial support, but the Danish Gambling Authority will require that a declaration of financial support expresses sufficient legal security.

A declaration of financial support must be legally binding and cannot in itself be a declaration of intent. Thus, the Danish Gambling Authority has prepared a standard template for a declaration of financial support, which is available on the Danish Gambling Authority's website or can be acquired with one of the Danish Gambling Authority's employees. It is not required that the template be used, but the Danish Gambling Authority assesses that this template includes a sufficiently high legal security and therefore the use of this will met the requirement for the declaration of financial support. It should be noted that if a declaration of support is used, the five most recent annual account/tax summaries from the supporting company or supporting individual must always be submitted.

3.2 Standardskabelon støtteerklæring

(STØTTEGIVER BREVPAPIR/ LETTERHEAD OF SUPPORTING COMPANY)

Selskab XXX/ *Company XX [Ansøger/Applicant]*

Adresse / *Address*

Postnummer og by / *Postal Code; City*

Danmark*/Denmark*

xx. måned 20xx

xx Month 20xx

Aftale om økonomisk støtte		**Letter of Financial Support**	
I forbindelse med ansøgning om spilletilladelse i Danmark og going concern for ansøger [*Selskab XX'*] for tilladelsesperioden, bekræfter moderselskabet, [*Moderselskab ZZ*], herved at:		In connection with the application for gaming licence in Denmark and assumption of going concern for the applicant [*Company XX*] for the license period the parent company [*Parent Company ZZ*], hereby confirm that:	
1	moderselskabet vil yde økonomisk støtte til [*Selskab XX*] ved lån eller kontant kapitalindskud i det omfang, det er nødvendigt for at finansiere selskabets drift, anlægsinvesteringer og afvikling af selskabets økonomiske forpligtelser,	1	we will support [*Company XX*] financially in the form of a loan or equity by cash contribution to the extent necessary to finance its operating activities, investments and to settle its financial obligations;
2	ydede lån samt yderligere fremtidige lån til [*Selskab XX*], ikke vil blive opsagt, medmindre [*Selskab XX's*] likviditetsstilling er tilstrækkelig til at berettige en sådan tilbagebetaling,	2	the loan extended and additional future loans that will be extended to [*Company XX*] will not be called unless the liquidity position of [*Company XX*] is adequate to justify such repayment;
3	moderselskabets samt tilknyttede virksomheders tilgodehavende i [*Selskab	3	the Parent Company and group enterprises will subordinate their receivables from

XX] træder tilbage for andre kreditorer i [*Selskab XX*].

[*Company XX*] in favour of other creditors of [*Company XX*].

Denne aftale om økonomisk støtte gælder for så vidt angår punkt 1 for tilladelsesperioden for ansøgning med Spillemyndighedens journalnummer xx-xxxxx.

With respect to item 1, this Letter of Financial Support is effective for the effective period of the granted license subject to the Danish Gambling Authority's reference no. xx-xxxxx.

XXby, xx. måned 201x

XXtown, xx Month *201x*

Parent Company ZZZ

NN

Titel

Title

[Tegningsberettiget på vegne af Moderselskab ZZZ]

[Authorized to sign for the Parent Company ZZZ]