

## **Britannia Global Markets Limited**

### **Annual report and financial statements**

the year ended 31 December 2021

Registered number: 01969442

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## Company Information

**Directors** Julio Herrera (resigned 23 November 2021)  
Daniel Reiser  
Sofia Saracho  
Ian Johnson

**Company secretary** Gabriela Maldonado

**Registered number** 01969442

**Registered office** Level 29  
52 Lime Street  
London  
EC3M 7AF

**Independent auditor** BDO LLP  
55 Baker Street  
London  
W1U 7EU

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## Directors' report

For the year ended 31 December 2021

The directors present their report together with the Strategic report and the financial statements of Britannia Global Markets Limited ('the company' or 'BGM' or 'the firm') for the year ended 31 December 2021. The comparatives present information for the Year ended 31 December 2020.

### Results and dividends

The loss for the year, after taxation, amounted to £159,123 (2020 – profit of £179).

The directors did not recommend a dividend during the year (2020 - £nil).

### Directors

The directors who served during the year were:

Julio Herrera (resigned 23 November 2021)  
Daniel Reiser  
Sofia Saracho  
Ian Johnson

### Political Donations and expenditure

There were no political donations or expenditure during the year (2020:£nil)

### Qualifying Third Party Indemnity provisions

The Company has arranged qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

### Directors' responsibilities statement

The directors are responsible for preparing the Directors' report, the Strategic 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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

**Pillar 3 disclosures**

The company's Pillar 3 disclosures are made publicly available at the company's website [www.britannia.com/gm](http://www.britannia.com/gm).

**Matters covered in the strategic report**

The company has chosen, in accordance with s.414C(11) of the Companies Act 2006, to set out in the company's Strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and Part 2 of The Companies (Miscellaneous Reporting) Regulations 2018 to be contained in the Directors' report. It has done so in respect of risk exposure, future developments, and engagement with suppliers, customers, and others.

**Post year end events and future developments**

Subsequent events are outlined in note 25 to the financial statements. An indication of likely future developments in the company is set out on page 6 of the strategic report.

**Disclosure of information to auditor**


Each person who was a Director at the date of approving this report has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Auditors**

The Auditors BDO LLP will be proposed for re-appointment at a forthcoming Board of Directors' meeting.

This report was approved by the board on 30 December 2022 and signed on its behalf, by:

  
\_\_\_\_\_  
Ian Johnson (Dec 30, 2022 17:26 GMT)

**Ian Johnson**  
Director

## Strategic report

For the year ended 31 December 2021

The directors present their Strategic report for the year ended 31 December 2021.

### Principal activities

The principal activities of the company are futures, options, bullion, equities, base metals and foreign exchange broking. BGM is authorised and regulated by the Financial Conduct Authority. The company is a member of the Dubai Gold and Commodity Exchange ('DGCX').

### Review of business and future developments

The company continues to consolidate its position and concentrate its efforts on achieving maximum growth organically and by looking for appropriate acquisitions. The company aims to improve efficiency in all areas of its operations through cost reduction and the implementation of new trading systems. Customer service remains a top priority.

Liquidity and capital adequacy have, to this point, been maintained primarily through the commitment of the owners, while the company has opted to implement and develop the platforms and infrastructure required to facilitate organic growth in the long term and the new products that come with this. The company expects exponential revenue growth over the coming years now that the requisite infrastructure is largely in place.

During the year, the company acquired a number of client relationships and the respective assets under management of an entity in special administration Dolfin Financial (UK) Limited (Dofin). Those Dolfin clients that have transferred benefit from access to a broader execution team with a depth of knowledge across a wider range of products. Included with the acquisition is part of the discretionary investment management team. The arrival of Dolfin's fixed income execution team also boosts the broader Britannia offering through increasing execution capabilities for all clients. The purchase includes several Tier 1 Investor Visa client accounts and the investment team that manages them to ensure continuity of strategies. Britannia's multi-asset brokerage offering will benefit both the transferring private clients who will have access to a wider variety of markets to trade, as well as the discretionary strategies that are transferred across which now have the flexibility to trade and hedge in wider and greater financial markets. The new joiner staff have fitted into the already established office space of the firm. This transaction has allowed the firm to move into the Discretionary Management space, an area that may offer significant growth potential in the future.

The firm also initiated a spread betting business to offer clients an additional means of managing their risks and positions. The spread betting desk will be required to follow and adhere to all BGM internal procedures and policies. These complementary services widen the range of services available to clients, while fitting into the established risk, regulatory and compliance processes of the firm.

The results for the year and financial position as at the reporting date were in line with expectations.

The directors have initiated a detailed review of the impact of the COVID-19 pandemic and believe that, as BGM customers, staff and suppliers are all technology based, there is no evidence of a deterioration in operations. The company has always had a strong contingency plan in place and all of its staff, following UK government advice, were immediately able to work from home remotely in isolation due to the robust and secure technological platforms in place. As such, the firm has seen no real effect on its day-to-day operations. As its suppliers are for the most part multinational and technology based, they have robust platforms with good customer support and there have been no issues with latency.

During early 2022 Russia invaded Ukraine and contributed to a number of macro economic shocks that have impacted world markets. The re-emergence of inflation and resulting central bank interventions to reduce it, have also impacted market confidence. The firm is managed and financed in a conservative fashion, to be able to withstand such shocks.

### Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures, and internal controls. The policies are subject to Board approval and ongoing review by management. Compliance with

regulation, legal and ethical standards is a high priority for the company, and the compliance team and finance department take on an important oversight role in this regard. The management team is responsible for ensuring that a proper internal control framework exists to manage financial risks, and that these controls operate effectively. The company has developed a framework for identifying relevant risks and corresponding mitigation. This process is risk based and uses Individual Capital Assessment principles to manage capital requirements and to ensure that the company has the financial strength and capital adequacy to support the growth of the business and to meet the requirements of policy holders and regulators.

*Regulatory and compliance risk*

The senior management team mitigates regulatory and compliance risks by using expert support, rigorous control procedures and compliance training for the directors.

*Operational risk*

The company maintains robust policies and procedures to control and mitigate risk in all of its operations. The senior management team monitors operational risks on a daily basis with key information reported to the Executive Directors.

*Currency risk*

The company does not undertake proprietary trading and matches its outstanding positions with banking counterparties within strictly defined limits.

*Credit risk*

The company has the skills and processes in place to assess credit risk before entering into any transaction as well as to monitor and assess ongoing credit risk.

*Liquidity risk*

The company has systems, procedures and working capital in place to monitor and mitigate significant liquidity events. It also maintains facilities with a number of global transaction banks to provide independent sources of currency supply.

*Impact of COVID-19*

As explained above, the directors of the company have considered the impact of the current COVID-19 pandemic on the company's operations, with a particular focus on its effect on its customers, suppliers, and employees, and on the availability of financial support from its parent undertaking. No employees have been furloughed or made redundant as a result of COVID-19. Employees were kept up to date via various communication channels, and the firm's human resources team worked hard to roll out various initiatives to support colleagues with their personal and financial wellbeing and change of working environment.

As part of post COVID measures, a hybrid working model has been implemented that allows employees the option to work from home on agreed days, with office attendance on the remaining days.

The directors do not consider the COVID-19 pandemic to be a cause of material uncertainty in respect of the company's ability to continue as a going concern. The company has adapted well, successfully employing contingency plans and ensuring that sufficient financial resources are available for the foreseeable future.

*Financial key performance indicators:*

The key performance indicators for the company are turnover of £39,020,986 (2020: £21,725,926), loss before tax for 2021 of £193,337 (2020: Profit of £10,751) and net assets of £36,479,255 (2020: £30,602,707).

**Going Concern:**

The Board aims to develop a leading global financial firm offering brokerage, securities, asset and wealth management services. The Board monitors a three-year strategic plan, developed as part of the Internal Capital Adequacy Assessment Process (ICAAP - which will transition to the ICARA in 2022), that helps in managing a growing business, highlighting potential risks and harms that could impact the smooth attainment of the objectives.

In order to test the Firm's robustness and resilience, it has developed a number of stress tests. These assess the Firm's ability to withstand both market-wide and firm-specific adverse events. The stress tests, while plausible, are designed to be severe, in order to assess the company's viability in adverse financial conditions. These stress tests enable the impact of a number of external and internal events to be modelled, identifying the potential impacts on the company's income statement, balance sheet, cash flow and regulatory capital position. The Board of Directors is subsequently able to assess the company's capacity to implement effective management actions to mitigate the impact of the potential stress events. These stress tests allow the Board to assess the effectiveness of any requisite management actions that may be taken to mitigate the impact of the respective stress events.

The company has consistently demonstrated strong capital and liquidity resilience throughout the COVID-19 pandemic, and remains well-positioned (with a healthy balance sheet) to absorb any future shocks. In considering going concern, the directors have reviewed the capital, liquidity and financial position of the company and concluded that the going concern basis is still appropriate. As a part of this conclusion the directors took into consideration the financial impact of the Russian war in Ukraine (including the resulting volatility in the markets and resulting increased levels of counterparty and operational risks), Covid-19, and the potential impact on the capital, liquidity and financial performance as noted within the Group's pandemic stress and reverse stress test. The results of the pandemic stress highlighted that the company have sufficient capital and liquidity to satisfy their regulatory requirements. In addition to this a reverse stress analysis has been performed to identify the tail risk scenarios which would lead to challenges in meeting regulatory requirements.

The Board of Directors believes that the Firm is well placed to manage its business risks successfully. The Directors also considered the quantity and quality of capital resources currently employed within the business and whether they are sufficient given the risks faced by the firm and already identified growth plans.

The stress tests demonstrate that the company has more than adequate resources in place to continue in operational existence for the period of at least 12 months from the date of signing of these accounts. As such, the Board continues to adopt the going concern basis for the preparation of the Financial Statements. In addition, the Directors have a reasonable expectation that the Company will be able to continue in operation as a viable entity and meet its liabilities as they fall due over a period of at least three years. Thus, the company continues to adopt the going concern basis of accounting in preparing these financial statements.

**Section 172 statement**

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors of Britannia Global Markets Limited are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company to maintain a reputation for high standards of business conduct; and



- the need to act fairly as between members of the company.

Induction materials provided on the appointment of a director include an explanation of the director's duties. To ensure the company is operating in line with good corporate practice, the group general counsel & company secretary has provided the directors with training in relation to the scope and application of s.172. This focused activity allowed the Board to reflect on how the company engages with its stakeholders and opportunities for enhancement in the future. The Board reviews our principal stakeholders and how we engage with them. The stakeholder voice is brought into the boardroom throughout the annual cycle through information provided by the group executive directors who are also directors of the company themselves. The Board continues to enhance its methods of engagement with employees. Following an assessment by the Board in the prior period, the company made it a priority to ensure full employee engagement by concluding that the most effective method for engagement in the company's particular circumstances would be the appointment of our UK legal general counsel, with designated responsibility for employee engagement. On an on-going basis, the group general counsel & company secretary will continue to provide support to the Board to help ensure that sufficient consideration is given to stakeholder issues.

The firm aims to work responsibly with suppliers and customers and is committed to supporting and respecting human rights in the workplace and in the community. Meeting our customers' expectations is the most important part of our business. We know that a close relationship between our customers and employees is often important in ensuring that expectations are met. *Understanding our customers' expectations is fundamental to the success of our business.* Regular engagement ensures that the business continues to operate, putting customers first and responding to our customers' needs. We see client satisfaction as an important aspect of our company performance overall.

The company's growing business is dependent upon continuing good relationships with suppliers. The range of services that we procure from our suppliers ensures the smooth functioning of our business. Regular engagement with suppliers allows us to maintain good relationships, and helps the business avoid disruption and unnecessary risks in the supply of essential services that our customers are reliant on.

#### **Streamlined Energy Carbon Reporting (SECR)**

Greenhouse gas emission estimates are produced for the Group as a whole and are contained in the annual report of the company's parent, Britannia Financial Group Limited, which does not form part of this report.

#### **Environmental and Social Governance**

BGM's main office, located within the Scalpel, is a top performing energy conservation building. The Scalpel attained an 'excellent' score on the BREEAM chart (Building Research Establishment's Environmental Assessment Method), the world's first sustainability rating scheme for buildings. In furtherance to this, the Scalpel is positioned within the top 10% of energy conservation buildings across the UK, with features ranging from PV cells on the roof, to reduced energy lifts, and uses 100% reusable energy. Britannia's prioritisation of an energy efficient building when selecting a corporate headquarters displays both a personal commitment to corporate sustainability, and national support to the UK's ambition of achieving net zero carbon emissions by 2050.

Recycling capabilities within the office are of an utmost priority, both food/general waste and confidential waste are recycled wherever possible. With over 93% of our current waste being recycled, employees are incentivized to dispose of waste responsibly wherever possible to further contribute to our company's aim of zero net waste.

In furtherance to our recycling endeavours, Britannia is committed to promoting sustainability and supporting our environment. Our partnership with Fruitful office has allowed for 62 trees to be planted on our behalf between October and December 2021, a statistic we hope to build upon in the next year.

Lastly, BGM's asset management division has made the decision to invest primarily in energy companies, where they are focused on either renewable energy, or on improving efficiency via services or technology.

Britannia Financial Group are currently in the process of establishing the Britannia Foundation which will support a breadth of charities on both a national and international scale. An example of one charity Britannia is keen to begin supporting

through the newly established foundation is internationally recognized charity Migrate Art, a benefaction collaborating with the world's most significant contemporary artists to raise money for displaced and homeless communities across the globe.

BGM strives to be an engaged member of the communities in which we operate. To this end, the Company is in the process of implementing an employer-supported volunteering program, in which all employees will be given 1 company paid day every year to pursue their own volunteering endeavours for a charity of their choice.

BGM participates in several 'in-office' schemes to encourage staff to take small steps towards supporting the local community. One example of which is Britannia's partnership with Hands on London, in which employees are encouraged to bring old coats to the office as part of their 'Wrap up London' winter campaign. Other examples include food bank collections and coffee morning collections, in which staff are encouraged to bring in baked goods and donate to a selected charity, boosting employee morale and charitable donation efforts simultaneously.

BGM is committed to supporting all employees to the highest degree, to this end the company provides full comprehensive healthcare coverage including unlimited mental health support under the Company medical plan at no cost to employees and their dependents.

BGM now employs a hybrid working environment, with a flexible work-from-home policy and a budget permitted to each employee for home working equipment, and Britannia now supports a cycle to work scheme for all UK employees. Subsequent events are outlined in note 25.


#### **Statement of private company governance arrangements**

For the year ended 31 December 2021, in accordance with the guidance provided in the Wates Corporate Governance Principles for Large Private Companies (the 'Wates Principles'), the directors have a clear understanding of their duties as directors and are kept informed of any updates on corporate governance by senior management and external counsel. Pursuant to their duties under section 172(1) of the Act, the Directors have implemented an effective system of internal controls and management of the company's affairs, which protects the interests of its sole shareholder and has regard to the interests of the company's other stakeholders (see Section 172(1) statement) While the Directors are actively involved in the running of the company, there is an appreciation that they cannot opine on or approve all decisions taken on a day-to-day basis. In order to ensure good governance, the Directors have devolved certain responsibilities to senior management. Such responsibilities include advancing the interests of the Company's stakeholders.

The Directors recognize that they must engage directly with and foster good stakeholder relationship, in particular with employees. Employees are encouraged to raise ideas or air views either directly with the Directors or indirectly via senior management who can address issues raised on an anonymous basis.

The Directors, along with the senior management of the company, ensure that appropriate remunerations is offered to employees. Remuneration is reviewed annually and linked to an employee's performance. The company's approach to remuneration is to incentivize and reward performance aligned with the company's purpose, culture and goals, thereby encouraging participation and behaviour consistent with enhancing the reputation of the company and the Group as a whole

This report was approved by the board on 30 December 2022 and signed on its behalf, by:

  
Ian Johnson (Dec 30, 2022 17:26 GMT)

**Ian Johnson**  
Director

**Independent Auditor's Report to the Members of Britannia Global Markets Limited  
For the Year Ended 31 December 2021**

**Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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.

We have audited the financial statements of Britannia Global Markets Limited ("the Company") for the year ended 31 December 2021 which comprise Statement of comprehensive income, Statement of financial position, Statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be

materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Other Companies Act 2006 reporting**

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### ***Extent to which the audit was capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent

to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have obtained an understanding of the legal and regulatory framework applicable to Company and have enquired of management to identify how the Company is complying with those frameworks and whether there were any known instance of non-compliance.

We considered the Company's control environment that has been established to prevent, detect and deter fraud. We then assessed the risk of susceptibility of the Company's financial statements to material misstatement, including how fraud might occur.

Our assessment of the Company's revenue cycle identified that it is largely automated in nature, we tested the reconciliation of trading data to the trial balance on a total basis and tested a sample of reconciling items. We performed sample testing to agree trades back to source documentation.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments in the general ledger.

We consider the following to be risk areas for potential fraudulent financial reporting given the high level of judgement and estimation involved: carrying value of investments and impairment of financial assets. Our audit procedures have focused on significant judgements made by management and we have evaluated whether there was any evidence of bias that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including any specialists, to ensure we remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

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.

DocuSigned by:  
*Andrew Barclay*  
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Andrew Barclay (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor  
London, UK

30 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Statement of comprehensive income

For the year ended 31 December 2021

		Year ended 31 December 2021	Year ended 31 December 2020
	Note	£	£
Turnover	4	39,020,986	21,725,926
Cost of Sales		(24,911,382)	(12,874,654)
<b>Gross Profit</b>		<b>14,109,604</b>	<b>8,851,272</b>
Administrative expenses		(16,477,426)	(10,797,733)
Other income		1,955,650	1,748,678
<b>Operating loss</b>		<b>(412,172)</b>	<b>(197,783)</b>
Interest receivable and similar income		218,835	208,534
<b>(Loss)/Profit before tax</b>		<b>(193,337)</b>	<b>10,751</b>
Tax credit/(charge) on (loss)/profit	11	34,214	(10,572)
<b>(Loss)/Profit for the financial year</b>		<b>(159,123)</b>	<b>179</b>

All amounts relate to continuing operations.

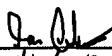
There was no other comprehensive income for the year ended 31 December 2021 or for the year ended 31 December 2020.

The notes on pages 17 to 36 form part of these financial statements.

# Statement of financial position

		2021	2020
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	12	575,000	210,000
Tangible assets	13	6,477,985	6,458,270
Investments	14	1,514,785	169,340
		<b>8,567,770</b>	<b>6,837,610</b>
<b>Current assets</b>			
Debtors	15	14,780,121	5,680,344
Cash at bank and in hand	16	41,170,132	45,506,404
		<b>55,950,253</b>	<b>51,186,748</b>
Creditors: amounts falling due within one year	17	(28,038,768)	(27,421,651)
<b>Net current assets</b>		<b>27,911,485</b>	<b>23,765,097</b>
<b>Total assets less current liabilities</b>		<b>36,479,255</b>	<b>30,602,707</b>
<b>Net assets</b>		<b>36,479,255</b>	<b>30,602,707</b>
<b>Capital and reserves</b>			
Called up share capital	19	23,856,472	17,820,801
Profit and loss account		12,622,783	12,781,906
		<b>36,479,255</b>	<b>30,602,707</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 December 2022.

  
 Ian Johnson (Dec 30, 2022 17:26 GMT)

**Ian Johnson**  
 Director

The notes on pages 17 to 36 form part of these financial statements.

## Statement of changes in equity

For the year ended 31 December 2021

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 Jan 2020</b>	<b>7,020,801</b>	<b>12,781,727</b>	<b>19,802,528</b>
<b>Comprehensive income for the period</b>			
Profit for the year	-	179	179
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>179</b>	<b>179</b>
Shares issued during the year	10,800,000	-	10,800,000
<b>At 1 January 2021</b>	<b>17,820,801</b>	<b>12,781,906</b>	<b>30,602,707</b>
<b>Comprehensive income for the year</b>			
Loss for the year	-	(159,123)	(159,123)
<b>Total comprehensive income/ (loss) for the year</b>	<b>-</b>	<b>(159,123)</b>	<b>(159,123)</b>
Shares issued during the year	6,035,671	-	6,035,671
<b>At 31 December 2021</b>	<b>23,856,472</b>	<b>12,622,783</b>	<b>36,479,255</b>



## Notes to the financial statements

For the year ended 31 December 2021

### 1. General information

Britannia Global Markets Limited is a private company limited by shares and was incorporated in England and Wales. The principal place of business and registered office of the company is Level 29, 52 Lime Street, London, EC3M 7AF. The registered number of the company is 01969442.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Exemption from preparing consolidated financial statements

Under section 402 of the Companies Act 2006, the company is exempt from the requirements to prepare group accounts. Under section 405(2), its subsidiary undertaking can be excluded from consolidation in Companies Act group accounts as it is not material for the purposes of giving a true and fair view.

#### 2.3 FRS 102 – disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).
- the requirements of Section 7 Statement of Cash Flows; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Britannia Financial Group Limited as at 31 December 2021 and these financial statements may be obtained from The Registrar of Companies.

#### 2.4 Going concern

The directors have considered the impact of the current COVID-19 pandemic on the company's operations, with a particular focus on its effect on the company's customers, suppliers, and employees, and on the availability of financial support from the company's parent undertaking.

The directors do not consider this to be a cause for material uncertainty in respect of the company's ability to continue as a going concern. The company has adapted well, successfully employing contingency plans.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the directors have considered the following: budgeted and projected results of the business, projected cash flow and the risks that could impact on the company's liquidity and capital over the next twelve months. The financial statements have therefore been prepared on a going concern basis.

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.5 Turnover

Turnover represents the net income from broking in foreign exchange, equities and derivatives contracts including Contracts for Differences ('CFDs') and is recognised on a settlement date basis.

Commissions received represents the net income from broking in foreign exchange, equities and derivatives contracts including Contracts for Difference and is recognised on a settlement date basis.

Interest received represents net interest received in relation to client trading accounts.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

##### *Rendering of services*

- the amount of turnover can be measured reliably.
- it is probable that the company will receive the consideration due under the contract.
- the stage of completion of the contract at the end of the reporting period can be calculated accurately; and
- the costs incurred and the costs to complete the contract can be determined consistently.

#### 2.6 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

#### 2.7 Foreign currency translation

##### *Functional and presentation currency*

The company's functional and presentational currency is GBP.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period-end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.8 Interest income and expense

Interest receivable and payable is recognised in the profit or loss using the effective interest method.

Interest receivable represents amounts received on cash and cash equivalents. Interest is accrued daily on balances held at the end of each day.

#### 2.9 Pensions

##### *Defined contribution pension plan*

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in other creditors as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

#### 2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful life is as follows:

Other Intangibles	-	10 years
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Intangible assets under construction are not available for use as intended by management and so are not amortised.

#### 2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	11%
Office equipment	-	20%
Fixtures and fittings	-	7% to 20%
Computer equipment	-	15% to 20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### 2.13 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently,

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### Financial Instruments (continued)

at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial liabilities (and equity) are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. In circumstances where a financial liability is replaced by the same lender, yet the contractual terms are substantially different or modified, the original financial liability will be derecognised at the point of contractual exchange and the new financial liability recognised.

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention and ability to settle on a net basis, or to realise the assets and liabilities simultaneously.

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### Financial Instruments (continued)

##### Breakdown of Financial Instruments by Classification

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Financial assets measured at amortised cost		
Cash	41,170,132	45,506,404
Other Receivables	11,739,858	3,834,539
	<b>52,909,990</b>	<b>49,340,943</b>
Financial assets measured at cost less impairment		
Investments	1,514,785	169,340
Financial liabilities measured at amortised cost		
Other Payables	(15,525,349)	(23,126,735)
Loans	(7,252,040)	-
	<b>(22,777,389)</b>	<b>(23,126,735)</b>

## Notes to the financial statements

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.14 Valuation of investments

Investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### 2.15 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.17 Client monies and client assets

The company holds money and assets on behalf of clients in accordance with the client money rules of its regulator.

Client monies and Client Assets held in segregated bank and settlement accounts in accordance with these rules and the corresponding liabilities to these clients are not recognised on the Statement of financial position. Under FCA rules, the firm is required to top up Client money bank accounts for any deficits and this is recognised on the company's balance sheet under amounts due from counterparties (note 15).

Client monies held in non-segregated bank and settlement accounts and the corresponding liabilities are recognised on the Statement of financial position in cash and cash equivalents, amounts due from third parties (non-seg) and amounts due to non-segregated clients.

At 31 December 2021, amounts held by the company on behalf of segregated clients in accordance with the Client Assets Rules of the FCA are as stated in note 16.

#### 2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.19 Other operating income

Other operating income is derived from recharges on a cost and cost plus basis, of facilities shared with other Group companies. The allocation is determined based on the specific usage throughout the year.

## Notes to the financial statements

For the year ended 31 December 2021

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors do not consider there to be any significant judgements or key sources of estimation uncertainty involved in the preparation of these financial statements, other than regarding the treatment of client money, treatment of tangible and intangible assets, valuation of investments which measured at fair value and the recognition of a deferred tax asset.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether leases entered into by the company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and reward of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Other key sources of estimation uncertainty include:

- Provisions are made where an event has taken place that gives the Group a legal or constructive obligation at the year end. Estimates, assumptions, and judgments relate to the determination or carrying value of these provisions. This includes an estimate for the costs to settle any outstanding claims against the Group.



## Notes to the financial statements

For the year ended 31 December 2021

### 4. Turnover

The analysis of the company's turnover for the year/period from continuing operations is as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Interest received	1,331,125	1,383,278
Commissions received	37,689,861	20,342,648
	<b>39,020,986</b>	<b>21,725,926</b>

All turnover arose from activities performed within the United Kingdom.

## Notes to the financial statements

For the year ended 31 December 2021

### 5. Other operating income

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Other operating income	1,955,650	1,748,678
	<u>1,955,650</u>	<u>1,748,678</u>

The other operating income consists of re-charges of rent and other costs to related parties.

### 6. Operating loss

The operating loss is stated after charging:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Exchange rate variance	10,473	88,875
Defined contribution pension scheme	190,934	87,745
Depreciation	842,589	244,360
Amortisation of intangibles	25,000	-
Operating lease costs – computer system	582,043	206,250
Operating lease costs – property	<u>1,207,809</u>	<u>1,224,781</u>

### 7. Auditor's remuneration

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Fees payable to the company's auditor for the audit of the company's annual financial statements	<u>110,000</u>	<u>27,000</u>

The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent company.

## Notes to the financial statements

For the year ended 31 December 2021

### 8. Staff costs and average number of employees

Staff costs, including directors' remuneration, during the year as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Wages and salaries	11,875,061	6,615,447
Social security costs	1,519,521	690,163
Company contributions to defined contribution pension schemes	192,594	56,264
	<b>13,587,176</b>	<b>7,361,874</b>

The average monthly number of employees, including the directors, during the year was as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
Directors	4	5
Administration and support	37	12
Sales	38	32
	<b>79</b>	<b>49</b>

### 9. Directors' remuneration

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Directors' emoluments	250,000	250,000
Company contributions to defined contribution pension schemes	7,500	1,313
	<b>257,500</b>	<b>251,313</b>

The highest paid director received remuneration of £250,000 (2020 - £250,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £7,500 (2020 - £1,313).

## Notes to the financial statements

For the year ended 31 December 2021

### 10. Interest receivable

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Other Finance income	218,835	208,534
	<b>218,835</b>	<b>208,534</b>

### 11. Taxation

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
<b>Total current tax</b>	<b>-</b>	<b>-</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	34,214	(10,572)
<b>Total deferred tax</b>	<b>34,214</b>	<b>(10,572)</b>
<b>Taxation credit/(charge) on (loss)/profit on ordinary activities</b>	<b>34,214</b>	<b>(10,572)</b>

## Notes to the financial statements

For the year ended 31 December 2021

### 11. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
(Loss)/Profit on ordinary activities before tax	(193,337)	10,751
Loss/(Profit) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	36,734	(2,043)
<b>Effects of:</b>		
Accelerated capital allowances	5,161	(14,757)
Expenses not deductible for tax purposes	(27,408)	(393)
Adjustments to tax charge in respect of previous periods	545	-
Adjustments to applicable deferred tax rate	19,182	6,621
<b>Total tax credit/(charge) for the year</b>	<b>34,214</b>	<b>(10,572)</b>

#### Factors that may affect future tax charges

The government has announced its intention to increase the corporation tax rate to 25% from 1 April 2023. This tax rate increase legislation was substantially enacted on 24 May 2021. The deferred tax provision has therefore accordingly been recognised at this future tax rate.

A deferred tax asset of £79,925 (2020 - £45,711) measured at 25%, being the rate that was substantively enacted at the reporting date, has been recognised in respect of taxable losses carried forward.

## Notes to the financial statements

For the year ended 31 December 2021

### 12. Intangible Assets

	Assets under Construction	Other Intangibles	Total
	£	£	£
<b>Cost</b>			
At 1 January 2021	210,000	-	-
Re-classified	(210,000)	-	-
Additions		600,000	600,000
<b>At 31 December 2021</b>	<b>-</b>	<b>600,000</b>	<b>600,000</b>
<b>Amortisation</b>			
At 1 January 2021	-	-	-
Charge for the year	-	25,000	25,000
<b>At 31 December 2021</b>	<b>-</b>	<b>25,000</b>	<b>25,000</b>
<b>Net book value</b>			
<b>At 31 December 2021</b>	<b>-</b>	<b>575,000</b>	<b>575,000</b>
At 31 December 2020	210,000	-	210,000

Other Intangibles acquired during the year includes the client relationships of an entity in special administration, along with the investment team that manages them. Assets under construction above have been re-classified to prepayments during the year.

## Notes to the financial statements

For the year ended 31 December 2021

### 13. Tangible Fixed Assets

	Leasehold improvements £	Fixtures and Fittings (including Specialised Furniture) £	Office equipment £	Computer equipment £	Assets under construction £	Total £
<b>Cost or valuation</b>						
At January 1 2021	4,766,027	872,369	727,453	466,101	79,080	6,911,030
Additions	45,224	-	690,920	138,240	-	874,384
Re-allocation	67,000	-	-	-	(67,000)	-
Transferred to P & L A/c					(12,080)	(12,080)
At 31 December 2021	<b>4,878,251</b>	<b>872,369</b>	<b>1,418,373</b>	<b>604,341</b>	<b>-</b>	<b>7,773,334</b>
<b>Depreciation</b>						
At 1 January 2021	126,616	16,288	290,888	18,968	-	452,760
Charge for the year	540,795	59,596	168,748	73,450	-	842,589
At 31 December 2021	<b>667,411</b>	<b>75,884</b>	<b>459,636</b>	<b>92,418</b>	<b>-</b>	<b>1,295,349</b>
<b>Net book value</b>						
At 31 December 2021	<b>4,210,840</b>	<b>796,485</b>	<b>958,737</b>	<b>511,923</b>	<b>-</b>	<b>6,477,985</b>
At 31 December 2020	<b>4,639,411</b>	<b>856,081</b>	<b>436,565</b>	<b>447,133</b>	<b>79,080</b>	<b>6,458,270</b>

## Notes to the financial statements

For the year ended 31 December 2021

### 14. Fixed asset investments

	Investment in subsidiary undertaking	Unlisted investments	Total
	£	£	£
<b>Cost</b>			
At 1 January 2021	1,000	168,340	169,340
Additions	-	1,345,445	1,345,445
<b>At 31 December 2021</b>	<b>1,000</b>	<b>1,513,785</b>	<b>1,514,785</b>

After the acquisition of 22,500 additional shares during the year, the company now holds 25,000 B shares in LME Holdings Limited (held at a total cost of £1.5m) as part of its membership of the London Metal Exchange. These shares are a minimum requisite for membership to the London Metal Exchange. These are non-listed investments as there is no active market for these shares. This investment has been valued at amortised cost at the reporting date and there was no impairment.

#### Subsidiary undertaking

At 31 December 2021, the following was a subsidiary undertaking of the company:

Name	Type of share	Class of shares	Holding
Britannia Global Markets Nominees Limited	Ordinary	100%	1,000

The registered office of Britannia Global Markets Nominees Limited is Level 29, 52 Lime Street, London, EC3M 7AF. The subsidiary operates as a nominee company.



## Notes to the financial statements

For the year ended 31 December 2021

### 15. Debtors

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Amounts due from counterparties - seg	766,699	1,162,525
Amounts due from counterparties - non-seg	477,812	437,960
Amounts owed by group undertakings	8,071,414	933,033
Other debtors	2,423,933	1,301,021
Prepayments and accrued income	2,960,338	1,800,094
Deferred taxation (see note 18)	79,925	45,711
	<b>14,780,121</b>	<b>5,680,344</b>

Included in other debtors are rental deposits of £853,226 (2020 - £848,439) and deposits at Exchanges (LME and DGCX) of £ 997,561 (2020:188,822) due after more than one year. Amounts owed by group undertakings are unsecured, repayable on demand and no interest is receivable.

### 16. Cash and cash Equivalents

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Bank current accounts - own funds	4,026,348	8,264,622
Bank current accounts - client funds (non-seg)	21,937,844	21,969,140
Short term investments	15,205,940	15,252,642
	<b>41,170,132</b>	<b>44,506,404</b>

Not included in cash and cash equivalents was cash held in segregated bank accounts of £442,686,000 (2020 - £228,082,197). Client monies comprise individual client funds held in segregated client money accounts or money market facilities established under the UK's Financial Conduct Authority (FCA) CASS rules. Such monies are not included in the company's statement of financial position.

The surplus on client money reporting is included on balance sheet in the Amounts due from counterparties - seg - see note 15.

## Notes to the financial statements

For the year ended 31 December 2021

### 17. Creditors: amounts falling due within one year

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Trade creditors	2,791,120	1,302,894
Amounts due to counterparties – non-seg	11,834,919	21,600,324
Amounts owed to group undertakings	483,513	-
Other taxation and social security	415,796	222,589
Loan payable to counterparty	7,252,040	-
Other creditors	260,034	928
Accruals and deferred income	5,001,346	4,294,916
	<b>28,038,768</b>	<b>27,421,651</b>

Amounts owed to group undertakings are unsecured, repayable on demand and no interest is payable. The Loan payable to a counterparty is a secured trading facility against client positions. The counterparty loan has been fully repaid as at the date of signing of these accounts.

### 18. Deferred Taxation

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
At beginning of year	45,711	56,283
Credited/(charged) to profit or loss	34,214	(10,572)
<b>At end of year</b>	<b>79,925</b>	<b>45,711</b>

The deferred tax asset is made up as follows:

Losses and other deductions	601,919	243,563
Fixed asset timing differences	(521,994)	(197,852)
	<b>79,925</b>	<b>45,711</b>

There are no unrecognised trading losses at 31 Dec 2021 (2020:Nil)

## Notes to the financial statements

For the year ended 31 December 2021

### 19. Share Capital

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
<b>Allocated called up and fully paid</b>		
23,856,472 (2020 - 17,820,801) Ordinary shares of £1.00 each	<b>23,856,472</b>	<b>17,820,801</b>

During the year, 6,035,671 (2020 – 10,800,000) Ordinary shares were issued at par.

### 20. Reserves

#### *Profit and loss account*

The profit and loss account includes all current and prior periods' retained earnings.

### 21. Contingent liabilities

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

### 22. Capital commitments

The company had no capital commitments at 31 December 2021 (2020 - £nil).

### 23. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £190,934 (Year ended 31 December 2020 - £56,264). Contributions totalling £49,655 (2020 - £84) were payable to the fund at the reporting date.

## Notes to the financial statements

For the year ended 31 December 2021

### 24. Commitments under operating leases

At 31 December 2021, the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Not later than 1 year	2,245,073	815,363
Later than 1 year and not later than 5 years	7,071,385	5,769,361
Later than 5 years	5,635,370	6,363,293
	<b>14,951,828</b>	<b>12,948,017</b>

The total future minimum lease payments are split between property leases of £12,838,328 (2020 - £11,375,267) and computer system leases of £2,113,500 (2020 - £1,572,750).

### 25. Subsequent events

There were no material adjusting events prior to the date of signing this report.

### 26. Related party transactions

The financial statements do not include disclosure of transactions between the company and other entities which are wholly owned within the group headed by Britannia Financial Group Limited. This is because as a subsidiary whose shares are 100% controlled within the group, the company is exempt from the requirement to disclose such transactions, under Financial Reporting Standard 102 paragraph 33.1A Related Party Disclosures.

#### *Other related parties*

During the year, a salary of £82,000 (period ended 31 December 2020 - £58,500) was paid to a close family member of a director.

### 27. Ultimate Parent / Controlling party

The parent of the company is Britannia Financial Group Limited, which holds 100% of the share capital of the company.

The largest and smallest group of undertakings for which consolidated financial statements are prepared of which the company is a member is that headed by Britannia Financial Group Limited. The registered office address of Britannia Financial Group Limited is Floor 28, 52 Lime Street. London EC3M 7AF.

The ultimate controlling party is the Geneva Trust company, a trust registered in Switzerland, by virtue its 100% shareholding in Britannia Financial Group Limited.