NRAM Limited

Annual Report & Accounts
for the 12 months to 31 March 2022

Contents

The Directors present their Annual Report & Accounts for the year to 31 March 2022. NRAM Limited ('the Company') is a limited company which was incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The Company and its subsidiary undertakings comprise the NRAM Limited Group ('NRAM' or 'the Group'). The Company's principal subsidiary is NRAM Homes Limited. The subsidiaries which comprise the NRAM Limited Group and are fully consolidated into the Group Financial Statements are listed in note 13.

Overview

The Group and Company primarily operates as legal title holder, providing oversight of mortgage loans secured on residential properties. NRAM and the Bradford & Bingley Ltd Group ('B&B') are run as a single business, with B&B acting as Master Servicer to the loans. Additionally, the Company has retained the right to collect loan balances which had previously been written-off and are still subject to enforcement.

The servicing of the mortgage loans is outsourced by B&B to a mortgage servicing supplier. Prior to March 2021, the Group and Company primarily operated as an asset manager holding mortgage loans secured on residential properties. No new lending was or is carried out.

NRAM plc was taken into public ownership on 22 February 2008 and funding was provided to the Company by Her Majesty's Treasury ('HM Treasury'). On 1 October 2010 UK Asset Resolution Limited ('UKAR') was established as the holding company for NRAM plc and B&B bringing together the two brands under shared management and a common Board of Directors.

UKAR agreed to sell NRAM and B&B along with their assets to a consortium comprising Davidson Kempner Capital Management LP ('Davidson Kempner') and Citibank ('Citi'). Mortgage loan portfolio balances were de-recognised on contract signature and beneficial interest in the loans was transferred to the asset owners, who became the Company's clients, in March 2021. The sale gave rise to an accounting loss in NRAM of £2.4m which was recognised in the 2020/21 accounts.

The sale was based on the portfolio position as at 31 March 2020 of £1.7bn from which point our clients retrospectively acquired the cashflows from ownership of 12,700 loans held by NRAM. NRAM continued to account for the loans from 1 April 2020 until contract signature but the purchase price was adjusted for the cashflows after 1 April accordingly.

Following regulatory approval, NRAM and B&B were sold to Davidson Kempner's acquisition vehicle, Jupiter Jersey BidCo Limited ('JJB'), on 29 October 2021.

Mission and purpose

Following the sale of the mortgage portfolio, NRAM and B&B's mission and purpose has been refreshed to reflect their combined role as master servicer and legal title holder:

Vision	"To establish ourselves as an effective and efficient master servicer"
Mission	"To maximise value for our shareholder and investors in mortgage portfolios"
Strategic objectives	1. Treat our customers fairly 2. Be a great company to work for 3. Challenge and maximise efficiency and cost effectiveness 4. Manage our partners to ensure excellence in customer and debt management 5. Protect the value of asset portfolios
Values	Straightforward; Positive; Caring; Responsible; Inspiring

Key performance indicators ('KPIs')

In addition to the primary Financial Statements, we have adopted the following KPIs in managing business performance.

	March 2022	March 2021
Administrative Expenses	£7.4m	£20.5m
Underlying (Loss) / Profit Before Tax [1]	(£3.5m)	£13.1m
Statutory (Loss) / Profit Before Tax [1]	(£3.0m)	£24.6m
Legal title balances	£1,313.2m	£1,516.5m

1 An analysis of the difference between statutory and underlying profit before tax is provided below.

Business review

These financial results are for the year to 31 March 2022.

Performance

The Board continues to believe it is appropriate to assess performance based on the underlying profit of the business, which excludes non-recurring administrative expenses, the remediation of inherited regulatory defects and certain gains or losses such as the sale of assets at a discount or premium. Whilst these gains or losses permanently impact capital reserves, the Board does not believe that they reflect the performance of the underlying business. The commentary on the results in this statement uses underlying profits and its components as the primary measure of performance. An analysis of the difference between the statutory (loss) / profit and the underlying (loss) / profit is provided below.

Following the sale of the beneficial interest in the mortgage assets in February 2021, it was anticipated that NRAM would be loss-making in future in the absence of interest income. The underlying loss for the year to March 2022 was £3.5m (March 2021: £13.1m profit). The £16.6m reduction in underlying profits primarily reflects the loss of mortgage interest income, partly offset by lower administrative expenses.

For the year to March 2022, total income decreased by £30.9m to £0.2m (March 2021: £31.1m) reflecting the significantly lower net interest income. Administrative expenses were £13.1m lower than the previous year at £7.4m (March 2021: £20.5m). Following the sale of the mortgage book in February 2021, impairment on loans to customers only relates to recoveries on written-off debt and was a credit of £3.7m, an increase of £1.2m from the prior year (March 2021: £2.5m net credit). 14,400 accounts remain which the Company continues to pursue for collection.

There was a statutory loss before taxation of £3.0m (March 2021: £24.6m profit) which included a £0.1m credit to true-up losses on the sale of customer loans and a £0.4m credit in respect of customer redress provisions.

Reconciliation of underlying (loss) / profit before taxation to statutory (loss) / profit before taxation

For the year ended 31 March	2022 £m	2021 £m
Net interest income	**0.1**	30.1
Non-interest income	**0.1**	1.0
Total income	**0.2**	31.1
Administrative expenses	**(7.4)**	(20.5)
Recoveries of written-off debt and net impairment charge on loans to customers	**3.7**	2.5
Underlying (loss) / profit before taxation	**(3.5)**	13.1
Release of customer redress provisions	**0.4**	13.7
Profit / (loss) on sale of loans	**0.1**	(2.2)
Statutory (loss) / profit before taxation	**(3.0)**	24.6

Business review (continued)

Performance (continued)

Balance Sheet

The Balance Sheet has reduced by £413.4m since March 2021 to £34.5m (March 2021: £447.9m).

Cash at bank and in hand has reduced by £416.6m to £28.7m primarily due to the distribution of two interim dividends totalling £416.1m in the period.

In November 2021, the Group loaned JJB's parent, Jupiter Jersey Holdings Limited ('JJH'), £4.6m as part of a share allocation exercise. It is anticipated that this will be repaid over time as and when JJB claims against certain indemnities provided by UKAR.

Capital

The Company operates under a MIPRU regulatory status. The rules of the Financial Conduct Authority ('FCA') require the Company to hold capital in excess of 1% of total Balance Sheet assets plus any undrawn commitments, as the Company retains a small portfolio of loans, albeit fully impaired.

As at 31 March 2022 the Company's total capital resources of £7.1m (March 2021: £420.8m) represented 20.6% (March 2021: 93.9%) of the Company's assets.

In July 2021, the Company distributed a dividend of £296.0m to its then parent UKAR, which equated to 59.7p per ordinary share. The dividend was settled in cash.

In November 2021, the Company reduced its issued share capital and reserves to create reserves capable of distribution. As part of this process, the Company allotted a single share to JJB at a price inclusive of share premium, equivalent to the amount expected to be recovered from UKAR Ltd under certain indemnities. The number of 25p ordinary shares was reduced from 495,959,501 to 4,000.

Following this, the Company distributed a dividend of £120.1m to JJB, which equated to £30,025 per ordinary share. This dividend was settled in cash.

Capital resources - NRAM (company only)

At 31 March	2022 £m	2021 £m
Share capital and reserves	7.1	420.8
Total capital	7.1	420.8

Section 172(1) statement

The Board has complied with the requirements of Section 172(1) of the Companies Act during the year and clearly articulates its Vision, Mission, Strategic Objectives and Values.

NRAM and B&B's Vision 'to establish ourselves as an effective and efficient master servicer' relates to how we work with our clients, colleagues, outsourced partnerships, suppliers and the shareholder to achieve our goals.

Our mission, strategic objectives and values are stated on page 2 of this report.

We are committed to doing the right thing for all stakeholders and acting in an ethical and fair manner consistent with all legal and regulatory requirements. All Board and Board Committee reports include a mandatory evaluation of Section 172(1) issues to ensure that the impact on stakeholders of any recommended actions are given appropriate consideration and these are highlighted to the Board when seeking approvals.

The Directors had regard to the needs of all stakeholders and the effect of that regard, in making principal decisions during the financial year 2021/22 as follows:

Shareholder

JJB is NRAM's sole shareholder. Their views are considered through one appointed Non-Executive Director attending Board and Committee meetings and through close working relationships between representatives of Davidson Kempner and NRAM.

Customers

Customer servicing

Whilst we have outsourced our mortgage servicing operations to Computershare via B&B since 2016, we retain the legal and regulatory responsibility for customer outcomes and we take this responsibility seriously. We have comprehensive oversight of the service our customers receive through regular monthly board reporting, customer complaint levels and root cause analysis, service level agreements, independent customer research programmes, and audit and compliance reporting.

Purchasers of NRAM mortgage assets are required to comply with comprehensive customer protection measures to ensure that customers are no worse off than they were under our stewardship. Customers continue to receive the same protections for the lifetime of their mortgage and their ability to re-mortgage is unaffected.

Our colleague surveys continue to demonstrate that our colleagues are committed to ensuring our customers receive excellent service and are focused on ensuring we do the right things for our customers. We have 7,900 customers under management (March 2021: 9,100), with 10,000 mortgage accounts (March 2021: 11,500). Despite the impact of COVID-19, the majority of loans continue to perform well with more than 97% of mortgage customers up to date with their monthly payments. In addition, we hold a significant portfolio of accounts where the loan has historically redeemed at a shortfall and the Company continues to pursue the debt.

We continue to see a number of customers facing financial difficulty including some entering arrears for the first time. We endeavour to contact all customers following a missed payment to understand their situation and consider solutions to help them manage their mortgage. For customers experiencing temporary or short-term financial difficulty this includes a range of forbearance options. During the year, over 130 arrangements were successfully completed and approximately 20 account modifications were made to assist customers. Where appropriate we actively encourage customers to seek help from non-fee charging debt advice agencies.

Support for customers experiencing payment difficulties

During the global COVID-19 pandemic, the impact on our customers was closely monitored to ensure we supported them appropriately through any period of financial disruption. The measures included:

- Payment deferrals of up to six months.
- The temporary waiving of all arrears fees.
- The suspension of all litigation and repossession activity.
- An online deferred payment application form for our residential customers.

As lockdowns have ended and the country has begun to return to normal, we have continued to monitor the impact of COVID-19 on our customers. We are also closely following the impact that the rising cost of living is having and continue to offer our customers forbearance where needed.

Doing the right thing for our customers

We remain committed to doing the right thing for our customers and where we identify issues that have caused customer detriment, we will ensure that they are fully remediated.

Section 172(1) statement (continued)

Workforce

People strategy

We believe colleagues are the differentiating factor in enabling us to deliver for our customers, clients and stakeholders. To 'be a great company to work for' remains one of our five strategic objectives, ensuring colleagues feel valued, connected to the vision and mission and have the opportunity to positively contribute to the Company's success. Our HR strategy enabled us to maintain our high standards of conduct whilst the Company was simplified prior to its sale and stabilised afterwards.

The Managing Director is the executive responsible for equality, diversity and inclusion. We treat all colleagues as individuals, recognise the benefits of having a diverse workforce and have policies and practices in place that assess all on the merits of their individual performance, irrespective of their age, gender, race, sexual orientation or any other protected characteristic.

We support colleagues through various 'well-being' programmes, offering membership of a private medical insurance scheme, access to health and well-being materials via our benefits portal and access to an Employee Assistance Programme via Unum LifeWorks.

Regulator

NRAM is regulated by the FCA and as such complies with the rules and guidance set out in the FCA Handbook and by the Regulator more widely. We are required to manage our capital in accordance with the FCA rules and guidance and submit Mortgage Lending and Administration Returns ('MLAR') each quarter.

Suppliers

The service from key suppliers is reviewed and reported through the Supplier Relationship Management Toolkit which is reviewed by the Executive Risk Committee ('ERC') each quarter.

Community

In August 2021 colleagues voted to continue to support Sue Ryder Manorlands Hospice as our Charity of the Year, raising funds via both one-off activities and Give As You Earn donations. In addition, colleagues continued to show support for the Junior Chamber International, supporting appeals that benefited disadvantaged families and children in our local community.

During the year we took the decision to relocate to new premises which were more in keeping with a smaller company. From January 2022 the registered office changed to Shipley, still within the Aire Valley, ensuring continuity of employment for existing colleagues in the local area.

Principal risks and uncertainties

Pages 7 to 8 form an integral part of the audited Financial Statements

Introduction

The following sections describe the Group's major risk categories under management. Other factors could affect the Group's results, including economic and geo-political factors. Therefore, the categories of risk described below should not be considered to represent all of the potential risks and uncertainties which could impact the Group.

The transfer of the economic interest in the mortgage loan portfolios has changed the nature and focus of the principal risks, in particular the Group no longer has any material exposure to credit risk. The Group does, however, continue to manage credit risk on behalf of its clients under servicing contracts.

Risk categorisation

During the year the Group categorised risk under the following headings:

(i) Conduct risk

Conduct risk is defined as the 'risk of treating customers unfairly and delivering inappropriate outcomes leading to customer detriment or impacting market integrity'.

This risk category is governed by a Conduct Risk Framework ('CRF') which forms part of the existing Enterprise-wide Risk Management Framework ('EWRMF'). Through the EWRMF the approach to conduct risk is led by the Board and Senior Management. It ensures a joined-up and consistent approach to the management of conduct risk and is integrated into business strategy, management and decision making.

The CRF sets out the approach to the effective assessment, management and monitoring of conduct risk in accordance with our stated conduct risk appetite. The Group has a zero risk appetite for systemic conduct risk that could lead to unfair customer outcomes or pose a risk to market integrity, including through those services provided by a third party. Conduct risk is an integral part of the way the Group does business, specifically, the interests of customers and market integrity are at the heart of the Group's strategy, business and culture. With clear and visible leadership from the Board everyone takes responsibility for good conduct throughout our business model with established controls to deliver fair and appropriate outcomes to our customers, including vulnerable customers. Our market conduct ensures that the Group has no impact on market integrity. Annual conduct risk training is included in the colleague mandatory training programme.

(ii) Outsourcing risk

Outsourcing risk is defined as the 'risk of loss/disruption arising from inadequate or ineffective appointment, supervision and control or any subsequent contractual termination of outsourced service providers.'

The Group appoints outsourced service providers in accordance with the Board's Outsourcing Risk Policy and supporting Supplier Relationship Management Framework. The Group adopts a proportionate and risk based approach to the appointment and oversight of outsourced service providers based on the nature, scale and complexity of the outsource and deploys a range of policy, governance, reporting, monitoring and assurance activities.

Third Party reports, covering the suitability of design and operating effectiveness of controls, are also utilised to provide an additional level of review and assurance over the Group's mortgage servicing partner. The Group are advised of any findings and subsequent action plans to resolve. These reports are prepared in accordance with the International Standard on Assurance Engagements (ISAE) 3402 and 3000, Assurance Reports on Controls at a Service Organisation, issued by the International Auditing and Assurance Standards Board.

(iii) Operational risk

Operational risk is defined as 'the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events'.

The Operational Risk Framework consists of an appropriate suite of policies, standards and procedures to enable effective identification, assessment, monitoring and reporting of key operational risks. The Framework is overseen and reported on by the Risk Function which also provides expertise in relation to Financial Crime, Cyber Risk, Data Protection, Operational Resilience, Business Continuity and Disaster Recovery. The key elements of the Framework include Risk & Control Self-Assessment, Operational Risk Event reporting, Key Risk Indicators and scenario analysis.

(iv) Credit risk

The Group is no longer exposed to credit risk on mortgage loan portfolios, however, we continue to manage credit risk on behalf of clients. The approaches use a governance framework, credit behavioural scoring and fraud detection techniques.

Counterparty credit risk is limited to operational bank accounts. Credit risk limits apply to all counterparties which reflect their credit rating as well as size, depth and quality of their capital base.

Principal risks and uncertainties (continued)

Pages 7 to 8 form an integral part of the audited Financial Statements

Risk categorisation (continued)

(v) Strategic risk

Strategic risk is managed at a Group level and is defined as the current or prospective risk to earnings arising from changes in the business environment and from adverse business decisions, improper implementation of decisions, lack of responsiveness to changes in the business environment or the requirement to remediate former customers.

The Group considers the primary strategic risks to be external environment, outsourcing, political/geo-political, regulatory and legal risk, infrastructure, people, project risk and claims upheld in favour of former customers in relation to potential breaches of contractual terms or other requirements.

The Group's focus is on continuous assessment and measurement of movement in strategic risk status in order to ensure continuous monitoring of potential impacts on the annual business and operating plans, and strategic objectives. Close oversight of movements in strategic risk (proximity, financial impact, probability) is maintained via reporting to the Executive Committee and the Board.

(vi) Liquidity risk

Liquidity risk is the 'risk of being unable to pay liabilities as they fall due.'

The Board's appetite for liquidity risk is low. Liquidity is managed to ensure there is adequate liquidity to meet commitments at all times with minimum liquidity levels set out in the Board-approved Liquidity Risk Policy. Responsibility for managing liquidity risk is delegated to the Finance Director. Stress tests are used to assess the adequacy of liquidity both daily and monthly by Finance and are reported to ERC. ERC is responsible for ensuring that the strategies of the Finance Director maintain liquidity risk within the Board's Risk Appetite.

(vii) Regulatory risk

Regulatory risk is the risk of failing to comply with the legal and regulatory requirements applying to NRAM arrangements and activities. The Group has a zero regulatory risk appetite and undertakes its activities in line with this. The Group has established, implements and maintains policies and procedures designed to detect any risk of failure by NRAM to comply with its obligations under the regulatory system, as well as associated risks. The Group has put in place adequate measures and procedures designed to minimise these risks and to enable the FCA (and any relevant regulator) to exercise its powers effectively under the regulatory system.

Mark Wouldhave
Managing Director, on behalf of the Board
5 July 2022

Directors' Report and Governance Statement

Group structure

On 1 October 2010 UKAR was established as the holding company for NRAM and B&B, bringing together the two companies under shared management and a common Board of Directors. UKAR itself is wholly owned by HM Treasury, whose shareholding was managed by UK Government Investments Limited ('UKGI').

In February 2021 UKAR agreed to sell the issued share capital of NRAM and B&B to Davidson Kempner. Change of control took place on 29 October 2021 and JJB acquired the issued share capital of NRAM and B&B.

Corporate governance

The Company is controlled by JJH, the parent of JJB.

The Board has established an Audit & Risk Committee ('ARC') comprised of the non-Executive Directors of the Company. ARC monitors the integrity of financial reporting for the business, provides assurance that the Group has in place effective audit processes and internal control systems and supports the Board in ensuring that key risks are managed and monitored within the approved risk appetite, and that an appropriate risk culture and systems of internal control to mitigate those key risks are maintained, including the monitoring of our outsourced mortgage service providers.

Directors and Company Secretary

The names of the Directors and Secretary of the Company are below.

Brendan McDonagh	Non-Executive Director	Director for whole of 2021/22
Brendan Russell	Non-Executive Director	Director for whole of 2021/22
Mark Wouldhave	Executive Director	Director for whole of 2021/22
Martin Scott	Executive Director	Appointed 1 November 2021
Matthew Gilmour	Non-Executive Director	Appointed 1 November 2021
John Tattersall	Chair, Non-Executive Director	Resigned 29 October 2021
Ian Hares	Executive Director	Resigned 29 October 2021
Susan Langley	Non-Executive Director	Resigned 29 October 2021
Keith Morgan	Non-Executive Director	Resigned 29 October 2021
Holger Vieten	Non-Executive Director	Resigned 29 October 2021
Claire Craigie	Company Secretary	Company Secretary for whole of 2021/22

Directors' interests

NRAM and B&B share a common Board of Directors. None of the Directors have beneficial interests in the share capital of the Company.

Directors' conflicts of interest

The Board, as permitted by the Company's articles of association, has authorised all potential conflicts of interest declared by individual Directors and a full register is reviewed and maintained.

Future developments

As stated on page 2, NRAM and B&B's vision is to establish themselves as an effective and efficient master servicer. Inevitably NRAM's current assets under management of £1,313.2m will run-off over time, although the longest remaining contractual mortgage term is 21 years. The servicing of clients' assets is expected to continue until such time as those clients cease to have an interest in the assets under management. The earliest call date for securitisation funding associated with B&B's clients' interests is January 2024 and this forms the basis of the minimum time horizon for the Company. However, the Directors' expectation is that if we deliver our vision then the existing servicing relationships will remain in place, in addition to which other portfolios may be placed with either NRAM or B&B, increasing assets under management and generating additional income.

Directors' Report and Governance Statement (continued)

Directors' indemnities

NRAM has provided each Director with a Deed of Indemnity, which constituted 'qualifying third party indemnity provision' in accordance with the provisions of the Companies Act 2006. The Deeds were in force during the whole of the financial year ended 31 March 2022 for existing Directors and were issued to new Directors joining the Board on 1 November 2021 effective from that date. All Deeds remain in force as at the date of approval of the Directors' Report.

The Deeds indemnify the Directors to the fullest extent permitted by law against all losses suffered or incurred in respect of acts and omissions arising as a result of holding office. The indemnities also extend to the reimbursement of each Director with the costs of defending all claims, actions and proceedings including regulatory investigation arising out of or connected with the exercise of, or failure to exercise, any of the Director's powers, duties or responsibilities as an officer, Director, trustee, agent or employee of the NRAM Group and any of its subsidiaries. Reimbursement is subject to the Director's obligation to repay the Company in accordance with the provisions of the Companies Act 2006. The payment obligations of the Company under those indemnities issued prior to 1 November 2021 were backed by a specific guarantee in favour of the Director entered into between the Company and HM Treasury which was terminated for future obligations and liabilities with effect from 29 October 2021. The termination of the Guarantee does not affect any liabilities, claims or demands that any Party may have against the other under or in connection with such Guarantee arising prior to 29 October 2021.

There were no amounts paid or liabilities incurred by the Company for the purpose of fulfilling the indemnities during the financial year ended 31 March 2022.

The Company has also arranged Directors' and Officers' Insurance on behalf of the Directors in accordance with the provisions of the Companies Act 2006.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Financial Statements for each financial period. Under that law the Directors have prepared the Group and Parent Company Financial Statements in accordance with International Accounting Standards ('IAS') in conformity with the requirements of the Companies Act 2006. 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 Group and the Company and of the profit or loss of the Group 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 IAS in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Directors confirms that, to the best of each person's knowledge and belief:

- the Financial Statements, prepared in accordance with IAS in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company;
- the Directors' Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company and Group, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report & Accounts, taken as a whole, is fair, balanced and understandable, providing the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Directors' Report and Governance Statement (continued)

Statement of Directors' responsibilities (continued)

Going concern

The Directors have assessed, taking into consideration the principal risks set out on pages 7 to 8, potential future strategic options and the current and anticipated economic conditions, the Company's and the Group's ability to continue as a going concern. The validity of the going concern basis of accounting is dependent upon the funding position of the Company and on the Directors' expectations regarding the continuation of trading.

In November 2021, the Directors declared a dividend to distribute surplus capital and liquidity to its parent whilst retaining sufficient to ensure the Company remains solvent over a period that extends beyond its 5 year planning horizon. This supports the conclusion that the Group has sufficient resources to meet its known commitments and liabilities as they fall due for a period of more than 12 months beyond the date of approval of these Financial Statements.

Accordingly, the Directors are satisfied at the time of approval of these Financial Statements that the NRAM Group has adequate resources to continue in business for the foreseeable future. They are also satisfied that the Company's activities will continue for the foreseeable future. The Directors therefore consider it appropriate to prepare these Financial Statements on a going concern basis.

Employees

The Non-Executive Directors have service contracts with B&B. All Executive Directors and colleagues are employed by B&B.

Financial risk management objectives and policies

Information regarding the financial risk management objectives and policies of the Group in relation to the use of financial instruments is given in note 26. A description of the principal risks to which the Group and Company are exposed is provided on pages 7 to 8 which form an integral part of the audited consolidated Financial Statements.

Dividends

NRAM declared two interim dividends during the year, totalling £416.1m, which were settled in cash. £296.0m was declared on 27 July 2021 and £120.1m on 1 November 2021. The Directors do not propose the payment of any further dividends in respect of the year ended 31 March 2022.

Political donations

The Company has not made any political donations or incurred any political expenditure during the financial year.

Charitable contributions

In August 2021 colleagues voted to continue to support Sue Ryder Manorlands Hospice as our Charity of the Year, raising funds via both one-off activities and Give As You Earn donations. In addition, colleagues continued to show support for the Junior Chamber International, supporting appeals that benefited disadvantaged families and children in our local community.

Directors' Report and Governance Statement (continued)

Streamlined Energy and Carbon Reporting ('SECR')

NRAM does not have any gas and electricity emissions in scope under SECR with those relating to NRAM's operations being controlled and reported on by B&B. Similarly, any business travel via expensed mileage claims using personal vehicles is claimed through B&B. B&B's SECR is included in its Annual Report and Accounts for the year to March 2022.

Auditors and disclosure of information to auditors

As at the date of this report, each person who is a Director confirms that:

- so far as each Director is aware there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken such steps as he or she ought to have taken as a Director in order to make him or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 (2) of the Companies Act 2006.

Mark Wouldhave
Managing Director, on behalf of the Board
5 July 2022

Independent Auditor's report to the Members of NRAM Limited

Opinion

We have audited the financial statements of NRAM Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2022 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 group's or parent 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 other information comprises the information included in the Strategic Report and Directors' Report and Governance Statement, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Strategic Report and Directors' Report and Governance Statement. Our opinion on the group and parent company 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.

Independent Auditor's report to the Members of NRAM Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report and Governance Statement 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 and Governance Statement have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report and Governance Statement.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group and parent company 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 group and parent company financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent 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.

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:

Independent Auditor's report to the Members of NRAM Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, our cumulative audit experience and reviewing the previous auditor's prior year audit file.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006; International Financial Reporting Standards; employment law; UK tax legislation; and regulatory requirements imposed by the Financial Conduct Authority.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group or parent company with those laws and regulations. These procedures included, but were not limited to, enquiries of management and those charged with governance; review of internal meeting minutes; and review of regulatory/legal correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the potential for management bias with regard to the assumptions used in calculating the customer redress provision. We addressed this by challenging the assumptions and judgements made by management when auditing significant accounting estimates, and by reviewing and considering post year end activity.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale for any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

M. R. Watson

Martin Watson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

One Park Row
Leeds
LS1 5HN

5 July 2022

The Accounts

Notes to the Financial Statements

CONSOLIDATED INCOME STATEMENT

	Note	**12 months to 31 March 2022 £m**	12 months to 31 March 2021 £m
Interest receivable and similar income	3	**0.1**	41.1
Interest expense and similar charges	3	**-**	(11.0)
Net interest income	3	**0.1**	30.1
Revenue from contracts	4	**-**	0.2
Other operating income	5	**0.1**	0.5
Net realised gains less losses on investment securities	25(c)	**-**	0.3
Non-interest income		**0.1**	1.0
Total income		**0.2**	31.1
Administrative expenses	6	**(7.4)**	(20.5)
Provision for customer redress	19	**0.4**	13.7
Recoveries of written-off debt and net impairment charge on loans to customers	11	**3.7**	2.5
Profit/(loss) on sale of loans	7	**0.1**	(2.2)
(Loss)/profit before taxation		**(3.0)**	24.6
Taxation	8	**0.9**	(8.3)
(Loss)/profit for the financial year attributable to owners of the parent		**(2.1)**	16.3

The notes on pages 23 to 43 form an integral part of these Financial Statements.

The Company's loss after tax for the financial year was £2.1m (2021: profit of £16.3m). As permitted by Section 408 of the Companies Act 2006, the Company's individual Income Statement, Statement of Comprehensive Income and related notes have not been presented in these Financial Statements.

In February 2021 the Group recognised the sale of the beneficial interest in all of its loans to customers other than £0.1m of unsecured loans (see note 10).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 12 months to 31 March 2022

	Note	Gross of tax £m	Tax £m	Net of tax £m
Loss for the financial year		**(3.0)**	**0.9**	**(2.1)**
Other comprehensive expense				
Items that will not be reclassified subsequently to profit or loss:				
- retirement benefit remeasurements	17	**(0.1)**	**-**	**(0.1)**
Total other comprehensive expense		**(0.1)**	**-**	**(0.1)**
Total comprehensive expense for the financial year		**(3.1)**	**0.9**	**(2.2)**

For the 12 months to 31 March 2021

	Note	Gross of tax £m	Tax £m	Net of tax £m
Profit for the financial year		24.6	(8.3)	16.3
Other comprehensive income/(expense)				
Items that may be reclassified subsequently to profit or loss:				
Assets carried at fair value through other comprehensive income:				
- net gains recognised in fair value reserve during the year	22	17.6	(3.2)	14.4
Items that will not be reclassified subsequently to profit or loss:				
- retirement benefit remeasurements	17	(0.8)	0.1	(0.7)
Total other comprehensive income/(expense)		16.8	(3.1)	13.7
Total comprehensive income/(expense) for the financial year		41.4	(11.4)	30.0

BALANCE SHEETS

		Group		Company	
	Note	**31 March 2022 £m**	31 March 2021 £m	**31 March 2022 £m**	31 March 2021 £m
Assets					
Cash at bank and in hand	9	**28.7**	445.3	**28.7**	445.3
Amounts owed by parent undertaking	23	**4.6**	-	**4.6**	-
Current tax assets	8	**1.1**	2.5	**1.1**	2.5
Other assets		**0.1**	0.1	**0.1**	0.1
Total assets		**34.5**	447.9	**34.5**	447.9
Liabilities					
Amounts owed to subsidiary undertakings	23	**-**	-	**0.2**	0.2
Amounts owed to fellow subsidiary undertakings	23	**16.8**	0.5	**16.8**	0.5
Accruals	14	**1.5**	4.8	**1.5**	4.8
Cash held on behalf of clients	15	**4.4**	3.0	**4.4**	3.0
Other liabilities	16	**1.5**	1.3	**1.5**	1.3
Retirement benefit obligations	17	**-**	14.2	**-**	14.2
Provisions	19	**3.0**	3.1	**3.0**	3.1
Total liabilities		**27.2**	26.9	**27.4**	27.1
Equity					
Issued capital and reserves attributable to owners of the parent:					
- share capital	20	**-**	124.0	**-**	124.0
- retained earnings		**7.3**	297.0	**7.1**	296.8
Share capital and reserves attributable to owners of the parent		**7.3**	421.0	**7.1**	420.8
Total equity and liabilities		**34.5**	447.9	**34.5**	447.9

The disclosures regarding risk management and control on pages 7 to 8 and the notes on pages 23 to 43 form an integral part of these Financial Statements.

The Financial Statements on pages 17 to 43 were approved by the Board of Directors on 5 July 2022 and signed on its behalf by:

Mark Wouldhave
Managing Director

Martin Scott
Finance Director

NRAM Limited is registered in England and Wales under company number 09655526.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 12 months to 31 March 2022

	Note	Share capital £m	Share premium reserve £m	Retained earnings £m	Total share capital and reserves £m
At 1 April 2021		**124.0**	**-**	**297.0**	**421.0**
Other comprehensive (expense):					
- retirement benefit remeasurements	17	-	-	(0.1)	(0.1)
- tax effects of the above		-	-	-	-
Total other comprehensive expense		-	-	(0.1)	(0.1)
Loss for the financial year		-	-	(2.1)	(2.1)
Total comprehensive expense		-	-	(2.2)	(2.2)
Issue of share capital	20	-	4.6	-	4.6
Capital reduction[1]	20,22	(124.0)	(4.6)	128.6	-
Dividends	20	-	-	(416.1)	(416.1)
At 31 March 2022		-	-	7.3	7.3

[1] During the year ended 31 March 2022 the Company reduced its share capital to £1,000.

For the 12 months to 31 March 2021

	Note	Share capital £m	Fair value reserve £m	Merger reserve £m	Retained earnings £m	Total share capital and reserves £m
At 1 April 2020		124.0	(14.4)	5.4	275.9	390.9
Other comprehensive income/(expense):						
- net movement in fair value reserve	22	-	17.6	-	-	17.6
- retirement benefit remeasurements	17	-	-	-	(0.8)	(0.8)
- tax effects of the above	18	-	(3.2)	-	0.1	(3.1)
Total other comprehensive income/(expense)		-	14.4	-	(0.7)	13.7
Profit for the financial year		-	-	-	16.3	16.3
Release of merger reserve	22	-	-	(5.4)	5.4	-
Total comprehensive income/(expense)		-	14.4	(5.4)	21.0	30.0
Unclaimed dividends[1]		-	-	-	0.1	0.1
At 31 March 2021		124.0	-	-	297.0	421.0

[1] During the year ended 31 March 2021 the Company released to retained earnings dividends which were declared in previous years by NRAM plc and have never been claimed.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the 12 months to 31 March 2022

	Note	Share capital £m	Share premium reserve £m	Retained earnings £m	Total share capital and reserves £m
At 1 April 2021		**124.0**	**-**	**296.8**	**420.8**
Other comprehensive expense:					
- retirement benefit remeasurements	17	-	-	(0.1)	(0.1)
- tax effects of the above		-	-	-	-
Total other comprehensive expense		-	-	(0.1)	(0.1)
Loss for the financial year		-	-	(2.1)	(2.1)
Total comprehensive expense		-	-	(2.2)	(2.2)
Issue of share capital	20	-	4.6	-	4.6
Capital reduction[1]	20,22	(124.0)	(4.6)	128.6	-
Dividends	20	-	-	(416.1)	(416.1)
At 31 March 2022		-	-	7.1	7.1

[1] *During the year ended 31 March 2022 the Company reduced its share capital to £1,000.*

For the 12 months to 31 March 2021

	Note	Share capital £m	Fair value reserve £m	Merger reserve £m	Retained earnings £m	Total share capital and reserves £m
At 1 April 2020		124.0	(14.4)	5.6	275.5	390.7
Other comprehensive income/(expense):						
- net movement in fair value reserve	22	-	17.6	-	-	17.6
- retirement benefit remeasurements	17	-	-	-	(0.8)	(0.8)
- tax effects of the above	18	-	(3.2)	-	0.1	(3.1)
Total other comprehensive income/(expense)		-	14.4	-	(0.7)	13.7
Profit for the financial year		-	-	-	16.3	16.3
Release of merger reserve	22	-	-	(5.6)	5.6	-
Total comprehensive income/(expense)		-	14.4	(5.6)	21.2	30.0
Unclaimed dividends [1]		-	-	-	0.1	0.1
At 31 March 2021		124.0	-	-	296.8	420.8

[1] *During the year ended 31 March 2021 the Company released to retained earnings dividends which were declared in previous years by NRAM plc and have never been claimed.*

CASH FLOW STATEMENTS

	Group and Company	
	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Cash flows from operating activities		
(Loss)/profit before taxation for the financial year	**(3.0)**	24.6
Adjustments to reconcile profit to cash generated from operating activities:		
- interest expense and similar charges	**-**	11.0
- provision for customer redress	**(0.4)**	(13.7)
- defined benefit pension scheme charges	**0.2**	0.3
- cash contributions to defined benefit pension scheme	**(0.3)**	(0.5)
- transfer of pension liability	**(14.2)**	-
- net impairment release on loans to customers	**-**	(2.5)
- (profit)/loss on sale of loans	**(0.1)**	2.2
	(17.8)	21.4
Net (increase)/decrease in operating assets:		
- loans to customers	**-**	140.4
- equity release mortgages	**-**	0.2
- sale of loans	**-**	1,508.9
- amounts owed by Group undertakings	**(4.6)**	-
- other assets	**0.1**	0.1
Net increase/(decrease) in operating liabilities:		
- amounts owed to Group undertakings	**16.3**	(1,336.4)
- cash held on behalf of clients	**1.4**	-
- other liabilities	**(1.7)**	(13.5)
- provisions	**(1.1)**	(42.8)
Interest paid	**-**	(11.0)
Income tax refund	**2.3**	-
Net cash (used in)/generated from operating activities	**(5.1)**	267.3
Cash flows used in financing activities:		
- issue of share capital (see note 20)	**4.6**	-
- dividends paid (see note 20)	**(416.1)**	-
Net cash used in financing activities	**(411.5)**	-
Net (decrease)/increase in cash and cash equivalents	**(416.6)**	267.3
Cash and cash equivalents at beginning of year	**445.3**	178.0
Cash and cash equivalents at end of year	**28.7**	445.3
Represented by cash and assets with original maturity of three months or less within:		
- cash at bank and in hand	**28.7**	445.3
Total cash and cash equivalents at end of year	**28.7**	445.3

1. Principal accounting policies

NRAM Limited ('the Company') is a private company limited by shares incorporated and domiciled in the United Kingdom and is registered in England and Wales. The Company was incorporated on 24 June 2015 as NRAM (No.1) Limited and changed its name to NRAM Limited on 18 July 2016. The Company's entire share capital was acquired by JJB from UKAR on 29 October 2021.

These Financial Statements were authorised for issue by the Directors on 5 July 2022 and will be put to the shareholder for approval at the Company's Annual General Meeting.

(a) Statement of compliance

Both the Company Financial Statements and the Group (comprising the Company and its subsidiaries) Financial Statements have been prepared and approved by the Directors in accordance with International Accounting Standards ('IAS') as endorsed for use in the UK, in conformity with the requirements of the Companies Act 2006. IAS comprises International Financial Reporting Standards prefixed IFRS issued by the International Accounting Standards Board ('IASB') and those prefixed IAS which were issued by the IASB's predecessor body, along with interpretations issued by the IFRS Interpretations Committee ('IFRIC') prefixed IFRIC and those prefixed SIC which were issued by the IFRIC's predecessor body. In publishing the Company Financial Statements here together with the Group Financial Statements, the Company has taken advantage of the exemption in s408 of the Companies Act 2006 not to present its individual Income Statement and related notes.

There have been no significant changes to the Group's and Company's accounting policies since 31 March 2021.

All new issued standards, amendments to standards and interpretations are not considered relevant to, and have no impact upon, the Financial Statements of the Group or Company.

(b) Basis of preparation

The Financial Statements have been prepared on a going concern basis and using the historical cost convention except that financial instruments categorised under IFRS 9 'Financial Instruments' as 'held to collect and sell' at 31 March 2020 were carried at their fair value and that the Group's unsecured loans were carried at their fair value of £nil (see note 10) at 31 March 2022 and 31 March 2021.

The functional and presentational currency of the Group and Company is pounds sterling.

The Company has sufficient cash to meet its commitments for the foreseeable future. The Company continues to trade, benefiting from recoveries of written-off debt.

The Directors therefore consider it appropriate to prepare these Financial Statements on a going concern basis.

The Directors consider that the accounting policies set out in this note are the most appropriate to the Group's and the Company's circumstances, have been consistently applied to both the Group and the Company in dealing with items which are considered material and are supported by reasonable and prudent estimates and judgements.

These accounting policies have been applied to all periods presented in these Financial Statements.

The Company is regulated by the Financial Conduct Authority ('FCA') as a mortgage administration company, and the Directors believe that it has an appropriate and adequate level of capital to support its activities. Further details regarding capital are provided in note 24.

The Financial Statements have been prepared in accordance with IAS in conformity with the requirements of the Companies Act 2006. A summary of accounting policies is set out below. The preparation of the Financial Statements in conformity with these accounting policies and generally accepted accounting principles requires the use of estimates and assumptions that affect the reported values of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results ultimately may differ from those estimates (see note 2).

The Directors consider the business to comprise one operating and geographical segment.

(c) Basis of consolidation

The Group's Financial Statements are prepared in accordance with IFRS 10 'Consolidated Financial Statements', and incorporate on a fully consolidated line-by-line basis the Financial Statements of the Company and those entities which are controlled by the Company (its subsidiaries).

1. Principal accounting policies (continued)

(d) Interest income and expense

Prior to the sale of the beneficial interest in the majority of the Group's loans to customers (see note 10), interest income on loans to customers categorised for impairment purposes as stage 3 (see note 11) was recognised by applying the effective interest rate ('EIR') to the amortised cost of the loan less any impairment allowance against the loan. The retained unsecured loans (see note 10) are fully impaired and are categorised as stage 3 and therefore no interest income is recognised. Since the closure of the accounts with the Government Banking Service (see note 9) no interest is earned on cash at bank and in hand. All interest-bearing intra-group loans were redeemed in March 2021.

Any interest income received in respect of investment securities held but derecognised (see paragraph 1(g)) is recognised on receipt within 'net realised gains less losses on investment securities'; such income is not expected to be material.

All of the Group's interest income and expense is recognised on the effective interest method other than the interest received in the year on overpaid tax (see note 3) which was recognised on receipt.

(e) Mortgage fee income

Mortgage fees were recognised at the point they became chargeable to the customer; no fees have been recognised since the beneficial interest in the mortgage loans was sold.

(f) Unpresented cheques

The Group and Company write off and derecognise cheques which they have previously raised when the cheque has remained unpresented for 6 years; the Group considers that the Group no longer has a legal liability in respect of materially all of these cheques. The write-off is taken to 'other operating income'.

(g) Net realised gains less losses on investment securities

The Company holds certain investment securities (see note 25(c)) which were written off and derecognised in previous years, and the associated impairment allowance released, as there was strong evidence to support that nothing would be recovered. Any residual income from these securities is accounted for on a cash basis as received; such income is not expected to be material.

(h) Taxation

(i) Current tax

The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated arising from temporary differences between the carrying amounts of certain items for taxation and for accounting purposes. Tax relating to items which are taken directly to reserves is also taken directly to reserves. Tax credits are recognised in respect of allowable losses only when it is probable that future taxable profits will be available against which these losses can be utilised.

(ii) Deferred tax

Deferred tax is calculated using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax relating to items which are recognised in other comprehensive income is also recognised in other comprehensive income.

Deferred tax assets are recognised when it is probable that future taxable profits will be available against which these temporary differences can be utilised. Deferred tax assets are released when it is determined that it is no longer probable that such future profits will be available. The release is recognised in other comprehensive income where the original credit to set up the deferred tax asset can be identified as having been recognised in other comprehensive income, and otherwise in the Income Statement.

1. Principal accounting policies (continued)

(i) Financial instruments

IFRS 9 requires that each financial asset is classified at initial recognition, or at the point of first adoption of IFRS 9, into one of three categories:

(i) Financial assets at fair value through profit and loss ('FVP&L');

(ii) Financial assets at fair value through other comprehensive income ('FVOCI'); or

(iii) Financial assets at amortised cost;

and each financial liability into one of two categories:

(iv) Financial liabilities at FVP&L; or

(v) Financial liabilities at amortised cost.

The classification of each financial asset is determined by the business model for the asset and whether the cash flows on the asset are 'solely payments of principal and interest' ('SPPI'). In respect of the Group's loans to customers, the business model was one of 'held to collect and sell' as these assets were managed in order to maximise shareholder value, with strategic asset sales undertaken where suitable market opportunities were identified. The cash flows on the loans were considered to satisfy the definition of SPPI. Therefore the Group's loans to customers were classified as at FVOCI. The sale of the beneficial interest in the Group's loans to customers was recognised in February 2021 (see note 10).

The Group retains a small number of unsecured loans which are fully impaired (see note 10). With effect from 1 April 2022, the business model for these loans is considered to be one of 'held to collect' rather than 'held to collect and sell'. As the loans have a fair value of nil, the reclassification of the loans from FVOCI to amortised cost will have no impact on the Financial Statements.

All of the Group's and Company's other financial assets and liabilities are classified as at amortised cost and the assets categorised for impairment as stage 1.

IFRS 9 requires that all financial assets are subject to impairment provisioning except those which are carried at FVP&L. Each financial asset subject to impairment provisioning is categorised as 'stage 1', 'stage 2' or 'stage 3'. Stage 1 assets are those for which there has been no significant increase in credit risk since the asset's origination. Stage 2 assets are those for which there has been a significant increase in credit risk since the asset's origination, but the asset is not in default. Stage 3 assets are those which are in default. IFRS 9 requires a forward-looking 'expected credit loss' ('ECL') approach to impairment provisioning. In respect of stage 1 assets provisioning is required for twelve-month expected losses whereas for stage 2 and stage 3 assets provisioning is required for full lifetime expected losses.

(j) Recognition and de-recognition of financial assets and liabilities

Purchases and sales of financial assets are accounted for once the tests set out in IFRS 9 have been met in relation to the contractual rights to the cash flows on the assets and the risks and rewards of ownership of the assets. When an asset carried at FVOCI is derecognised, the element of the fair value reserve relating to that asset is reclassified to the Income Statement.

A financial liability is de-recognised only when the contractual obligation is discharged, cancelled or has expired.

(k) Offsetting financial instruments

Financial assets and liabilities, including intra-Group loans and outstanding balances, are offset and the net amount reported on the Balance Sheet when and only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(l) Cash at bank and in hand

Cash at bank and in hand comprises balances which are highly liquid and have an original maturity of three months or less. For the purposes of the Cash Flow Statement, accrued interest is excluded from the balance. Since the closure of bank accounts with the Government Banking Service (see note 9) no interest is earned on cash at bank and in hand. The Group's cash balances are all on demand or withdrawable at short notice and hence amortised cost is deemed to equal the principal amount plus accrued interest.

1. Principal accounting policies (continued)

(m) Impairment of loans to customers

The sale of the beneficial interest in the Group's loans to customers was recognised in February 2021 (see note 10) and the Group recognised impairment charges/releases on those loans through the Income Statement during the period from 1 April 2020 to the date of sale.

The Group did not categorise any loans to customers as stage 1. This was because ascertaining which loans had experienced a significant increase in credit risk since inception would have been onerous and in some cases the information concerning credit quality at inception (which would have been in 2008 or earlier) may have been incomplete. Under the transitional arrangements, IFRS 9 permitted the categorisation to omit stage 1 if the assessment of change in credit risk would involve 'undue cost and effort'.

A loan was considered to be in default, and hence categorised as stage 3, when it was three months in arrears or there were other indicators of default e.g. bankruptcy, forbearance, possession or for sale with a Law of Property Act ('LPA') receiver. In addition, all cases that were past their term end were treated as in default. Payment deferrals approved under COVID-19 forbearance were not considered a trigger of default. Generally, a loan remained in stage 3 until it had been up to date for three consecutive months, at which point it moved back to stage 2. However, once a default account had returned to below three months in arrears, whilst it was still considered for other reasons to be in default it continued to be carried in stage 3.

For each loan an assessment was made of forecast cash flows against contractual cash flows over the life of the loan. Both cash flows were discounted, using the loan's EIR. Where there was a shortfall on the discounted forecast cash flow compared to the discounted contractual cash flow, an impairment was recognised.

Where a property had been taken into possession, or an LPA receiver had been appointed to collect rental income on the property, the loan continued to be carried within 'loans to customers'.

(n) Written-off debt

A loan to a customer was written off and derecognised, and any associated impairment allowance released, when and only when the property was sold or the account was redeemed or in respect of an unsecured loan where the collections process indicated a loan was not recoverable. Following the sale of the beneficial interest in its loans to customers the Group has retained the right to collect balances which had previously been written off and are still subject to enforcement. Written-off debt continues to be recovered in line with MCOB rules, and is recognised on a cash basis as received, net of associated recovery costs. In 2020/21, prior to the sale of the Group's loans to customers, these recoveries were offset against impairment charges. Written-off debt has been fully derecognised from the Balance Sheet.

(o) Equity release (Lifetime) mortgages

The beneficial interest in the Group's equity release mortgages was sold in February 2021 (see note 12). Prior to that sale, the Group held a small portfolio secured on residential property. These were monthly drawdown products where the borrower continued to be paid a monthly income until the loan was repaid, and were at fixed rates of interest. Under the terms of these loans, when the final borrower died or went into long term care the property was sold and the proceeds used to redeem the loan. As is standard for this type of product, where the sale proceeds were less than the contractual sum owed the Group did not have any further ability to recover amounts from the borrower or the estate. The Group accounted for equity release mortgages in accordance with IFRS 4 'Insurance Contracts' as they were considered to meet the definition of an insurance contract i.e. that the Group had accepted the risk of negative equity arising on the loans. The Group recognised impairment charges/releases on these loans through the Income Statement during the period from 1 April 2020 to the date of sale.

1. Principal accounting policies (continued)

(p) Retirement benefits

The Group has operated a number of defined benefit retirement benefit plans for its employees. The costs were charged to the 'administrative expenses' line of the Income Statement and to other comprehensive income in accordance with IAS 19 'Employee Benefits' and IFRIC 14 'IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'.

The Group's actuaries provided a valuation of each of the Group's retirement benefit plans as at each published Balance Sheet date.

As detailed in note 17, the Company's remaining pension obligations were transferred to UKAR on 8 October 2021 and hence no retirement benefits are carried on the Balance Sheet at 31 March 2022.

(q) Provisions and contingent liabilities

Provisions are recognised when, and only when, the following criteria set out in IAS 37 'Provisions Contingent Liabilities and Contingent Assets' are all met:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Balance Sheet date and are released if they no longer meet the above criteria.

Provisions are discounted to net present value using rates which reflect the risks specific to the provision, if the effect of discounting is material.

Contingent liabilities are possible obligations whose existence depends upon the outcome of uncertain future events or are present obligations where the outflows of resources are uncertain or cannot be reliably measured. Contingent liabilities are not recognised on the Balance Sheet but are disclosed unless they are remote.

(r) Debt and equity securities in issue

Issued securities are classified as liabilities where the contractual arrangements result in the issuer having an obligation to deliver either cash or another financial asset to the security holder, or to exchange financial instruments under conditions that are potentially unfavourable to the issuer. Issued securities, including ordinary share capital, are classified as equity where they meet the definition of equity and confer a residual interest in the issuer's assets on the holder of the securities. The Group currently has no issued securities which are classified as liabilities.

(s) Amounts owed by and to Group undertakings

Amounts owed by Group undertakings are classified under IFRS 9 as at amortised cost and are repayable on demand. The balances are considered to be stage 1, i.e. that there has been no significant increase in credit risk since the asset's origination.

Amounts owed to Group undertakings are classified under IFRS 9 as at amortised cost and are repayable on demand.

(t) Dividends receivable and payable

Dividends receivable from subsidiary undertakings are recognised as income once the right to receive payment is established, in accordance with IAS 27 'Separate Financial Statements'.

Dividends payable by the Company are recognised in retained earnings once they are appropriately authorised and no longer at the Company's discretion.

2. Critical judgements and accounting estimates

In preparing the Financial Statements, management are required to make a series of judgements and estimates. Judgements involve an interpretation of requirements to decide how to allocate, value or recognise an item. Estimates arise from using assumptions which result in a range of possible outcomes. Following the sale of the Group's loans to customers, the most important judgements and estimates used in preparing these Financial Statements are described below.

Critical judgements

(a) Going concern

As detailed in note 1(b), the Directors consider it appropriate to prepare these Financial Statements on a going concern basis. If the Financial Statements were prepared on a basis other than a going concern basis, consideration would be required as to whether the carrying amounts of any assets should be impaired and whether any additional costs should be provided for.

(b) Carrying amount of amounts owed by parent undertaking

The Directors consider that the carrying amount of the amounts owed by parent undertaking is not impaired; further detail is provided in note 23.

Accounting estimates

(c) Provisions for customer redress

Provisions are carried in respect of customer redress, as described in note 19. Provisions are set at a level which covers the estimated number of future payments and the estimated average payment amount, using the best available information, but the actual future outcomes of redress provided for may differ from expectations.

3. Net interest income

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Interest receivable and similar income		
On equity release mortgages	-	0.5
On other secured loans	-	40.5
On cash at bank and in hand (see note 9)	-	0.1
On overpaid tax	**0.1**	-
Total interest receivable and similar income	**0.1**	41.1
Interest expense and similar charges		
On intercompany funding	-	(11.0)
Total interest expense and similar charges	-	(11.0)
Net interest income	**0.1**	30.1

An analysis of interest income and expense by category of financial instrument is provided in note 25(b).

In February 2021 the Group recognised the sale of the beneficial interest in all of its loans to customers other than £0.1m of unsecured loans (see note 10). All interest-bearing intercompany loans were redeemed in March 2021.

4. Revenue from contracts

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Mortgage fees	-	0.2
Total	-	0.2

Mortgage fees were recognised at the point they became chargeable to the customer; no fees have been recognised since the beneficial interest in the mortgage loans was sold.

5. Other operating income

The other operating income of £0.1m in 2021/22 (2020/21: £0.5m) principally comprised the write-off and derecognition of cheques which were raised in prior years and which have remained unpresented for 6 years; the Group considers that the Group no longer has a legal liability in respect of materially all of these cheques.

6. Administrative expenses

The NRAM Group had no employees during the years presented as services were provided to the NRAM Group by B&B, which has a mortgage servicing arrangement with Computershare. Although in February 2021 the Group sold the beneficial interest in all of its loans to customers other than £0.1m of unsecured loans (see note 10), the Group continues to hold legal title to 10,000 mortgage loans and continues to be responsible for ensuring the fair treatment of those customers and for arranging the servicing of those loans. Hence the Group incurs certain costs in respect of those loans.

The NRAM Group employed no temporary staff or specialist contractors at 31 March 2022 (31 March 2021: £nil).

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Defined benefit pension charges (see note 17)	**0.2**	0.3
Outsourced and professional services	**3.0**	4.7
Other administrative expenses	**0.4**	0.5
	3.6	5.5
Management recharge from B&B	**3.8**	15.0
Total administrative expenses	**7.4**	20.5

Auditor's remuneration

The following costs are included within administrative expenses:

	12 months to 31 March 2022 £000	12 months to 31 March 2021 £000
Fees payable to the Company's auditors and their associates in respect of audit of the parent Company's individual and consolidated Financial Statements	**20**	151
Fees payable to Company's auditors and their associates for other services:		
- the audit of the Company's subsidiaries pursuant to legislation	**5**	10
Total	**25**	161

The amounts shown in the above analysis are exclusive of VAT.

No separate disclosure has been provided of fees payable in respect of the Company as the consolidated Financial Statements are required to disclose these fees on a consolidated basis as shown in the above table.

PKF Littlejohn LLP succeeded the National Audit Office as the Group's auditors following the 2020-21 financial year. Hence the 2021-22 figures in the above table relate to PKF Littlejohn LLP and the 2020-21 figures to National Audit Office.

7. Profit/(loss) on sale of loans

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Loss on sale of loans to customers during the year (see note 10)	**-**	(0.3)
Loss on sale of equity release mortgages during the year (see note 12)	**-**	(2.1)
Release of accruals for costs in relation to sales in prior years	**0.1**	0.2
Total	**0.1**	(2.2)

In February 2021 the Group recognised the sale of the beneficial interest in all of its equity release mortgages and all of its loans to customers other than £0.1m of unsecured loans. Of the £0.3m loss on sale of loans to customers in the year ended 31 March 2021, £1.6m of gains were reclassified from the fair value reserve (see note 22) representing the accumulated fair value movements up to the point of sale.

8. Taxation

The tax credit/(charge) for the year comprises:	**12 months to 31 March 2022 £m**	12 months to 31 March 2021 £m
Current tax:		
- on (loss)/profit for the year	**1.0**	(0.9)
- adjustments in respect of prior periods	**(0.1)**	-
Total current tax credit/(charge)	**0.9**	(0.9)
Deferred tax (see note 18):		
- origination and reversal of temporary differences	-	(7.4)
Total deferred tax	-	(7.4)
Total taxation credit/(charge) per the Income Statement	**0.9**	(8.3)

The following tax amounts were (charged)/credited to equity:

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Deferred tax:		
- relating to assets at FVOCI	-	(3.2)
- relating to retirement benefit remeasurements	-	0.1
Net (charge) to equity	-	(3.1)

There was no foreign tax charged in the year (2021: £nil).

The tax credit/(charge) on the Group's (loss)/profit before tax differs from the theoretical amount that would arise using the standard weighted average rate of UK corporation tax of 19.0% (2021: 19.0%) as follows:

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
(Loss)/profit before taxation	**(3.0)**	24.6
Tax calculated at rate of 19.0% (2021: 19.0%)	**0.6**	(4.7)
Effects of:		
- credits not taxable	**1.5**	2.8
- adjustments in respect of prior periods	**(0.1)**	-
- losses not utilised	**(1.1)**	-
- release of deferred tax assets (see note 18)	-	(6.4)
Total taxation credit/(charge) for the year	**0.9**	(8.3)

Taxation appropriately reflects changes in tax rates which had been substantively enacted by 31 March 2022. The standard rate of UK corporation tax is due to increase to 25% with effect from 1 April 2023.

Losses carried back resulted in a credit of £0.1m being recognised in the year. The Group is anticipated to continue to incur losses. No further profits are expected to be available against which the losses can be relieved and no further tax credits are expected to be recognised.

At 31 March 2022 the Group and Company carried a debtor of £1.1m (2021: £2.5m) in respect of current tax, which is repayable on demand.

9. Cash at bank and in hand

	Group and Company	
	31 March 2022	31 March 2021
	£m	£m
Balances with the Bank of England	**-**	29.5
Balances with the Government Banking Service	**-**	414.2
Balances with other banks	**28.7**	1.6
Total	**28.7**	445.3

The Group and Company have sufficient cash to meet their commitments for the foreseeable future.

Balances with the Bank of England and the Government Banking Service earned interest at rates linked to Bank Base Rate. Balances with other banks do not earn interest.

None of the Group's cash at bank and in hand balances are impaired and all are with UK institutions. Of the balances with other banks, 100% (2021: 100%) are with institutions rated AA to A. Expected credit losses arising in the 12 months to 31 March 2023 are not material, and no provision has been made.

10. Loans to customers

In February 2021 the Group recognised the sale of the beneficial interest in all of its loans to customers other than £0.1m of unsecured residential loans and the Group has no further commitments to extend credit to customers. Prior to their sale, the loans were carried at FVOCI. The Group recognised a loss of £0.3m on the sale (see note 7). All of the sale proceeds were received prior to 31 March 2021.

The retained unsecured loans had been fully impaired prior to 1 April 2020 (see note 11) and their fair value is considered to be nil, valued on a Level 3 basis. With effect from 1 April 2022, the business model for these loans is considered to be one of 'held to collect' rather than 'held to collect and sell'. As the loans have a fair value of nil, the reclassification of the loans from FVOCI to amortised cost will have no impact on the Financial Statements.

The movements in fair value of the Group's and Company's loans to customers during the year ended 31 March 2021 were as follows:

Group and Company

	At 1 April 2020 £m	Reduction in gross balances outstanding £m	Asset sale £m	Impairment released to Income Statement £m	Movements taken to fair value reserve £m	At 31 March 2021 £m
Residential loans	1,621.7	(138.1)	(1,527.1)	26.8	16.7	-
Commercial loans	2.5	(0.4)	(3.0)	-	0.9	-
Total	1,624.2	(138.5)	(1,530.1)	26.8	17.6	-

In addition to the sale of loans, the most significant movement in fair value was due to redemptions.

Residential mortgages comprised the Group's buy-to-let loans. Commercial loans comprised loans secured on commercial properties. All of the Group's loans to customers were to UK customers.

During the years ended 31 March 2022 and 31 March 2021 the Group's loans to customers were classified as at FVOCI. With effect from 1 April 2022, the business model for the remaining unsecured loans is considered to be one of 'held to collect' rather than 'held to collect and sell'. As the loans have a fair value of nil, the reclassification of the loans from FVOCI to amortised cost will have no impact on the Financial Statements.

11. Impairment on loans to customers

In February 2021 the Group recognised the sale of the beneficial interest in all of its loans to customers other than £0.1m of unsecured loans. These unsecured loans had been fully impaired prior to 1 April 2020. At the point of recognition of the sale all other impairment allowances were released.

Following the sale, the Group has retained the right to collect balances which had previously been written off and are still subject to enforcement. Written-off debt is recovered in line with MCOB rules, however decisions on whether to pursue to recover the debt are taken on a case-by-case basis taking into account the individual circumstances of the customer. During the year ended 31 March 2022 recoveries net of costs totalled £3.7m (2021: £3.8m).

Prior to the sale, allowances for credit losses against loans to customers were made as follows:

Total loans to customers	Stage 2: Lifetime ECL [1,2]	Stage 3: Lifetime ECL [1,2]	Total
	£m	£m	£m
At 1 April 2020	22.0	6.2	28.2
Movements during the year[3]:			
- net repayments	(0.8)	(3.9)	(4.7)
- changes in estimates	0.2	4.1	4.3
- changes in economic assumptions	0.8	0.9	1.7
- transfers	(1.6)	1.6	-
- loan impairment charge	(1.4)	2.7	1.3
- sale of loans	(20.6)	(7.5)	(28.1)
- write-offs	-	(1.3)	(1.3)
Net movements during the year	(22.0)	(6.1)	(28.1)
At 31 March 2021	-	0.1	0.1
The Income Statement credit comprised:			
- loan impairment charge	(1.4)	2.7	1.3
- recoveries net of costs	-	(3.8)	(3.8)
Total Income Statement credit	(1.4)	(1.1)	(2.5)

[1] *Expected credit losses ('ECL').*
[2] *Further information as to which loans were categorised as stage 2 and which as stage 3 is provided in note 1(m).*
[3] *Movements during the year were calculated on a monthly basis and were aggregated to the full year in the above table. Changes in estimates related to updates to behavioural assumptions and underlying changes to the loan data, whilst changes in economic assumptions related to updates for actual economics and changes in forecast economics during the year.*

12. Equity release mortgages

In February 2021 the Group recognised the sale of the beneficial interest in all of its equity release mortgages at a loss of £2.1m (see note 7).

The Group's equity release mortgages were monthly income products. Under the terms of these loans, when the final borrower died or went into long term care the property was sold and the proceeds used to redeem the loan. As is standard for this type of product, where the sale proceeds were less than the contractual sum owed the Group did not have any further ability to recover amounts from the borrower or the estate. Hence the Group was exposed to the risk of negative equity on these mortgages. The Group carried a provision for this insurance risk on equity release mortgages, calculated in accordance with IFRS 4, as follows:

	31 March 2022	31 March 2021
	£m	£m
At start of year	-	0.2
Movements during the year:		
- sale of loans	-	(0.2)
Net movements during the year	-	(0.2)
At end of year	-	-

13. Investments in Group undertakings

The following companies are fully consolidated into the Group Financial Statements; both operate in their country of incorporation, are directly wholly owned and have their registered office at The Waterfront, Salts Mill Road, Shipley BD17 7EZ. The carrying value of these investments at 31 March 2022 is £7 (2021: £7) and no impairment has been recognised against them.

	Registered number	Nature of business	Country of incorporation	Class of shares held
NRAM (No. 2) Limited	02190427	Non-trading	UK	Ordinary
NRAM Homes Limited	02306045	Property management	UK	Ordinary

14. Accruals

Of the Group's and Company's accruals of £1.5m (2021: £4.8m), £1.5m (2021: £4.1m) comprised amounts which have been agreed as payable to specific persons as remediation for PPI mis-selling in previous years. The remaining £0.7m in the prior year comprised accruals relating to costs.

15. Cash held on behalf of clients

This comprised cash received from customers in respect of loans for which the Group still holds legal title and which was owed to the beneficial interest owners.

16. Other liabilities

Of the Group's and Company's other liabilities of £1.5m (2021: £1.3m), £1.3m (2021: £1.3m) comprised unpresented cheques aged greater than 6 months.

17. Retirement benefit obligations

Northern Rock plc operated a funded defined benefit staff pension scheme which subsequently became known as the NRAM Scheme. UKAR became the sponsoring company on 20 June 2019 and the Group has no ongoing obligation in respect of the scheme.

The Company also operated an unfunded post-retirement benefit scheme which had originally been sponsored by Northern Rock plc. On 8 October 2021 UKAR also became the sponsoring company of that unfunded scheme and consequently no retirement benefit obligations are carried by the Group at 31 March 2022.

The amounts recognised in the Group Income Statement were as follows:

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Charge to administrative expenses (see note 6)	**(0.2)**	(0.3)
Total recognised in the Income Statement	**(0.2)**	(0.3)

At 31 March 2021 the Company had unfunded pension obligations in respect of a small number of former employees, all of whom were receiving their pension. On 8 October 2021 UKAR became the sponsoring company of the scheme. The transfer value was contractually set at the scheme's IAS 19 value at that date, being £14.2m, and the Company paid UKAR £14.2m to become the sponsoring company. At that point the Company derecognised its IAS 19 liability in respect of the scheme.

Scheme benefits are provided on a final salary basis and pension increases are either calculated by reference to RPI or increase by 3.0% pa. The cost to the Group of funding these obligations varied over time, dependent on market conditions and life expectancies. The cost in the year to the point of transfer was £0.2m (2021: £0.3m) and the retirement benefit remeasurement loss recognised in other comprehensive income during the year was £0.1m (2021: £0.8m). Payments to the beneficiaries during the year totalled £0.3m (2021: £0.5m).

Movements in the present value of the obligations were as follows:

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
At start of year	**14.2**	13.6
Net interest cost	**0.2**	0.3
Remeasurements	**0.1**	0.8
Company contributions	**(0.3)**	(0.5)
Transfer to UKAR	**(14.2)**	-
At end of year	**-**	14.2

Summary actuarial assumptions (expressed as weighted averages) were as follows:

	8 October 2021	31 March 2021
To determine benefit obligations:		
Discount rate	2.20%	2.10%
Inflation (RPI)	3.60%	3.30%
Future pension increases	3.00% - 3.80%	3.00% - 3.65%
To determine net pension cost:		
Discount rate	2.10	2.30%

At 31 March 2021 the life expectancy assumption for a male from age 60 was 28.4 years and the obligation had a weighted average maturity of around 16 years.

18. Deferred taxation

During the year ended 31 March 2021 the Group released its deferred tax assets based on forecast future results of the Group which indicated that the Group would not have sufficient profits to utilise them. Consequently the Group and Company had £6.4m of deferred tax assets unrecognised at 31 March 2021. At 31 March 2021 unrecognised deferred tax assets included £2.7m in respect of defined benefit pension obligations; these assets would have been released when the pension obligations were transferred to UKAR on 8 October 2021 (see note 17). At 31 March 2022 the Group and Company carried no tax assets and had £3.9m of deferred tax assets unrecognised.

The movements in the Group's and Company's temporary differences during the year ended 31 March 2021 were as follows:

Group and Company	At 1 April 2020 £m	Recognised in income £m	Recognised in equity £m	At 31 March 2021 £m
Fair value reserve	3.2	-	(3.2)	-
Impairment of loans to customers	3.6	(3.6)	-	-
Employee benefits	3.7	(3.8)	0.1	-
	10.5	(7.4)	(3.1)	-

19. Provisions

Group and Company	**Customer redress £m**	**Onerous contracts £m**	**Total £m**
At 1 April 2021	**3.0**	**0.1**	**3.1**
Utilised in the year	**(1.1)**	-	**(1.1)**
Reclassified from accruals	**1.4**	-	**1.4**
Charged in the year	**2.8**	-	**2.8**
Released in the year	**(3.2)**	-	**(3.2)**
At 31 March 2022	**2.9**	**0.1**	**3.0**

Group and Company	Customer redress £m	Onerous contracts £m	Total £m
At 1 April 2020	59.5	0.1	59.6
Utilised in the year	(42.8)	-	(42.8)
Charged in the year	1.0	-	1.0
Released in the year	(14.7)	-	(14.7)
At 31 March 2021	3.0	0.1	3.1

The Group remains committed to doing the right thing for our customers and where we identify issues that have caused customer detriment we will ensure that they are fully remediated.

Customer redress provisions at 31 March 2022 total £3.4m (2021: £3.0m). During the year, provisions increased by £2.8m following a reassessment of historic redress provisions and £1.2m was released from PPI related provisions. The total amount released during the year includes discounting of £0.5m (2021: £nil).

£42.8m of provisions were utilised during the year ended 31 March 2021, of which £42.3m related to PPI including £15.4m paid to the Official Receiver in full and final settlement of PPI claims in relation to bankrupt individuals. A release of £14.7m was recognised in the year ended 31 March 2021, of which £14.5m related to a reduction in PPI redress cost; this reflected the uncertainty of this provision at 31 March 2020, following the influx of complaints ahead of the FCA's deadline for claims. A further charge of £1.0m was recognised in the year ended 31 March 2021 in respect of other remediation.

Redress provisions represent management's best estimate of future costs and all are expected to be utilised by 31 March 2025. In addition to provisions, accruals of £1.5m (2021: £4.1m) are carried in respect of amounts which have been agreed as payable to specific persons as remediation for PPI mis-selling in previous years (see note 14).

The onerous contracts provision relates to empty leasehold premises which are no longer used by the business but are subject to a lease agreement. This lease has not been accounted for under IFRS 16 'Leases' as it is not considered material. The remaining rental payments are due to be made during the period to 31 December 2022.

20. Share capital

Issued and fully paid: Ordinary shares of 25p each			**Group and Company**	
	Year ended 31 March 2022 Number	**Year ended 31 March 2022 £**	Year ended 31 March 2021 Number	Year ended 31 March 2021 £
At start of year	**495,959,500**	**123,989,875**	495,959,500	123,989,875
Issue of share capital	**1**	**-**	-	-
Reduction in share capital	**(495,955,501)**	**(123,988,875)**	-	-
Total	**4,000**	**1,000**	495,959,500	123,989,875

The Company was incorporated on 24 June 2015 with one 25p Ordinary share. On 30 April 2016 495,959,499 shares were issued in order to acquire the shares of NRAM plc.

On 1 November 2021 the Company issued 1 25p Ordinary share to its parent JJB for consideration of £4.6m represented by a loan due from JJB's parent JJH. Also on 1 November 2021 the Company passed a resolution to reduce the Company's share capital to £1,000 to better represent the requirements of the Company going forward. All of the Company's issued shares are fully paid.

In accordance with the Companies Act 2006, the Company has no authorised capital other than its issued capital.

The Company has one class of shares: Ordinary shares of 25p each, ranking equally in respect of rights attached to voting, dividends and in the event of a winding up.

During the year ended 31 March 2022 the Company declared and paid two interim dividends totalling £416.1m. The first dividend, being £296.0m, was paid in cash to UKAR before the reduction in share capital, and represented £0.5968 per Ordinary share. The second, being £120.1m, was declared after the reduction in share capital, representing £30,025 per Ordinary share, and was paid in cash to JJB. No other dividends had been proposed by the date of approval of these Financial Statements. No dividends were declared or paid during the year ended 31 March 2021.

21. Share premium account

Share premium of £4.6m was created on issue of 1 Ordinary share on 1 November 2021. Also on 1 November 2021 the Company passed a resolution to convert this premium to retained earnings to better represent the requirements of the Company going forward.

22. Other reserves

Other reserves during the year ended 31 March 2021 comprised merger reserve and fair value reserve, as follows:

Merger reserve	Group	Company
	Year ended 31 March 2021 £m	Year ended 31 March 2021 £m
At start of year	5.4	5.6
Release	(5.4)	(5.6)
At end of year	-	-

The acquisition by NRAM of NRAM plc in 2016 was accounted for under predecessor accounting. This resulted in a transfer from retained earnings to the merger reserve. The merger reserve was non-distributable and was released as loans which formed part of the 2016 dividend in specie were paid down or sold; at the point of sale of the Group's remaining loans in February 2021 the remaining balance on the merger reserve was released.

The fair value reserve represented cumulative fair value movements on assets carried at FVOCI net of deferred tax. The amounts reclassified to profit or loss in the year ended 31 March 2021 represented the accumulated fair value movements up to the point of sale of FVOCI assets sold during that year.

22. Other reserves (continued)

Fair value reserve	**Group and Company** Year ended 31 March 2021 £m
At start of year	(14.4)
Amounts recognised in equity	19.2
Amounts reclassified to profit or loss	(1.6)
Movement in deferred tax	(3.2)
At end of year	-

23. Related party disclosures

(a) Key management personnel

The Group considers the Board of Directors and the members of the Executive Committee to be the key management personnel. There were no amounts owed to or by key management personnel at any time during the year (2021: £nil).

Following change of control on 29 October 2021, the headcount of key management personnel reduced from 12 to 7. The weighted average headcount of key management personnel during the year was 10 (2021:12). A summary of the Group's share of the remuneration of the key management personnel is set out in the table below. These amounts include the Group's share of the remuneration of the Directors. The aggregate emoluments of the Group's Directors across the NRAM Group and the B&B Group were £1,522,016 (2021: £1,014,980) and the emoluments of the highest paid Director including termination benefits were £728,527 (2021: £606,230). The NRAM Group and the B&B Group made loss of office payments of £462,286 to Directors in the year (2020: £nil). The Directors contributed £4,000 (2021: £nil) to the Group's money purchase pension scheme during the year. The Group made no payments into this scheme in respect of the Directors during the year or previous year.

As in 2020/21, in 2021/22 the NRAM Group bore one third of the total cost of the Directors in its Income Statement, the other two thirds being borne by B&B. Included in the NRAM Group's Income Statement, the aggregate Directors' emoluments and the emoluments of the highest paid Director amounted to £507,273 and £242,811 respectively (2021: £338,327 and £202,077 respectively).

The key management personnel contributed £4,000 (2021: £8,000) to Group pension schemes during the year.

Remuneration of key management personnel: cost borne by the NRAM Group	**12 months to 31 March 2022 £000**	12 months to 31 March 2021 £000
Short-term employee benefits	**587**	831
Other long-term benefits	**49**	47
Post-employment benefits	**1**	3
Termination benefits	**216**	36
Total	**853**	917

Further details of the accounting treatment of pensions and of the Group's and Company's transactions and balances with the Group's pension scheme are given in note 17. There were no amounts due to or from the scheme at 31 March 2021.

(b) Parent company: to 29 October 2021

As described in note 28, until 29 October 2021 the Company considered UKAR to be its parent company. On 27 July 2021 the Company declared and paid an interim dividend of £296.0m to UKAR. The Company did not declare or pay any dividends to UKAR during the year ended 31 March 2021. During the period to 29 October 2021 the Company was charged £nil (2021: £0.1m) by UKAR for the services of Non-Executive Directors. As detailed in note 17, on 8 October 2021 UKAR became the sponsoring company of the Group's unfunded defined benefit staff pension scheme. The transfer value was contractually set at the scheme's IAS 19 value at that date, being £14.2m, and the Company paid UKAR £14.2m to become the sponsoring company. No amounts were owed by the Group to or from UKAR at 29 October 2021 and 31 March 2021.

(c) Parent companies: 29 October 2021 to 31 March 2022

As described in note 28, with effect from 29 October 2021 the Company considers JJB to be its parent company. On 1 November 2021 the Company issued 1 25p Ordinary share to JJB for consideration of £4.6m represented by a loan due from JJH. At 31 March 2022 the Company was owed £4.6m by JJH; this balance is interest-free and repayable on demand, expected credit losses are considered immaterial and no impairment has been recognised. On 1 November 2021 the Company declared and paid an interim dividend of £120.1m to JJB. No amounts were owed by the Group to or from JJB at 31 March 2022.

23. Related party disclosures (continued)

(d) Subsidiary undertaking

At 31 March 2022 the Company owed £0.2m (2021: £0.2m) to its subsidiary NRAM Homes Limited; this balance is interest-free and repayable on demand.

(e) Fellow subsidiary

During the year ended 31 March 2022 B&B recharged to the Company a total of £3.8m (2021: £15.0m) of administrative expenses. On 1 November 2021 B&B made a loan of £17.1m to the Company. At 31 March 2022 the Company owed a total of £16.8m to B&B (2021: £0.5m); this balance is interest-free and repayable on demand.

(f) UK government: to 29 October 2021

As described in note 28, until 29 October 2021 the Company considered the UK government to be its ultimate controlling party. The Group's material balances with departments and bodies of the government comprised deposits with the Bank of England and the Government Banking Service (see note 9). In addition, the Group has had balances and transactions with numerous government bodies on an arm's length basis in relation to the payment of corporation tax and VAT and the payment of regulatory fees and levies. The Group had balances and transactions with UK Government Investments Limited ('UKGI'). The Group also had balances with banks over which the UK government has significant influence; these were made in the ordinary course of business and were not unusual in their nature or conditions.

24. Capital structure

The Company met its capital requirements in full throughout 2021/22 and 2020/21. The Company is regulated by the FCA as a mortgage administration company under the MIPRU regime. MIPRU regulation is applied at individual company level, not at NRAM Group level. FCA rules require the Company to hold capital in excess of 1% of total Balance Sheet assets plus any undrawn commitments, as the Company retains a small portfolio of loans, albeit fully impaired. The Board considers core equity to be of pre-eminent importance in the capital structure of the Company and continues to monitor this closely, in addition to the total level of capital. The Directors believe the Company has an appropriate and adequate level of capital to support its activities. As at 31 March 2022 capital in the Company represented 20.6% (31 March 2021: 93.9%) of the Company's assets. The decrease in capital is mainly due to the dividends declared and paid in the year totalling £416.1m.

The table below sets out the Company's regulatory capital resources under MIPRU.

Company	**31 March 2022 £m**	31 March 2021 £m
Share capital and reserves	**7.1**	420.8
Total capital	**7.1**	420.8

The primary objectives of the Company's capital management are to maintain capital resources to support the objectives of the business, to cover risks inherent in its activities and to ensure compliance with externally imposed capital requirements. The capital structure is managed in response to changes in the nature of the Company's activities and economic conditions.

The Company defines equity as capital. The Company's capital adequacy and capital resources are managed and monitored in accordance with the regulatory capital rules of the FCA. The Company must at all times monitor and demonstrate compliance with the relevant regulatory capital requirements of the FCA. The required capital information is filed with the FCA on a quarterly basis.

On 1 November 2021 the Company issued 1 25p Ordinary share to JJB for consideration of £4.6m and the Directors expect that JJB would provide further capital to the Company should it be required.

25. Financial instruments

(a) Categories of financial assets and financial liabilities: carrying value compared to fair value

All financial assets and financial liabilities are carried at amortised cost. For each category of financial asset and financial liability, the carrying amount is considered to be a reasonable approximation of fair value.

Valuation methods for calculations of fair values are as follows:
Cash at bank and in hand
The fair value is estimated to be the carrying amount as the balances are repayable on demand.

Amounts owed from and to Group undertakings
The fair value is estimated to be the carrying amount as the balance is repayable on demand.

Cash held on behalf of clients
The fair value approximates to carrying amount because the balances are short term in nature.

Accruals and other financial assets and liabilities
Fair value approximates to carrying value because the balances are short term in nature.

(b) Interest income and expense by category of financial instrument

	12 months to 31 March 2022 £m	12 months to 31 March 2021 £m
Interest income recognised on an EIR method:		
On equity release mortgages	-	0.6
On other financial assets carried at amortised cost	-	0.1
Total	-	0.7
On loans to customers carried at FVOCI	-	40.4
On unpaid tax	**0.1**	-
Total interest income per the Income Statement	**0.1**	41.1
Interest expense recognised on an EIR method:		
On financial liabilities carried at amortised cost	-	(11.0)
Total interest expense per the Income Statement	-	(11.0)

(c) Impaired financial assets

Allowance accounts for credit losses in respect of impairment of loans to customers are detailed in note 11. 13 (2021: 15) investment securities are held which were written off and derecognised in previous years, and the associated impairment allowance released, as there was strong evidence to support that nothing would be recovered. Any residual income from these securities is accounted for on a cash basis as received; such income amounted to £nil for the year (2021: £0.3m). No impairment loss has been recognised in respect of any other class of financial asset and no other class of financial asset includes assets that are past due; expected credit losses in the next 12 months are considered to be immaterial.

(d) Offsetting

No financial assets have been offset against financial liabilities. No balances are subject to enforceable master netting arrangements or similar agreements.

26. Financial risk management

A description of the principal risks to which the Group is exposed is provided on pages 7 to 8 which form an integral part of the audited Financial Statements.

(a) Credit risk

Credit risk is the risk of financial loss caused by a party failing to meet an obligation as it becomes due. The Group's exposure to credit risk has fallen markedly following the sale of the loans but was managed as part of the overall governance framework. The Group closely monitors its credit risk against the Board's credit policies.

The maximum credit risk exposure at the Balance Sheet date was as follows:

	Group and Company	
	31 March 2022	31 March 2021
	£m	£m
On Balance Sheet:		
Cash at bank and in hand	**28.7**	445.3
Amounts owed by parent undertaking	**4.6**	-
Total on Balance Sheet	**33.3**	445.3

No impairment loss has been recognised in respect of these assets; expected credit losses in the next 12 months are considered to be immaterial. In addition to the amounts in the table above, the Group has unsecured loans which are fully impaired (see note 10). Additional information in respect of credit risk on cash at bank and in hand is provided in note 9.

(b) Liquidity risk

The Group and Company closely monitor their liquidity position against the Board's liquidity policy. Minimum and target liquidity levels are established through stress testing and cash flow forecasting, taking into consideration an assessment of any emerging and potentially extreme funding conditions.

The table below analyses the Group's and Company's financial assets and liabilities into relevant maturity groupings:

Group **At 31 March 2022**	**On demand £m**	**Within three months £m**	**After three months but within six months £m**	**After six months but within one year £m**	**After one year but within five years £m**	**After five years £m**	**Total £m**
Financial assets:							
Cash at bank and in hand	**28.7**	-	-	-	-	-	**28.7**
Amounts owed by parent undertaking	**4.6**	-	-	-	-	-	**4.6**
Total financial assets	**33.3**	-	-	-	-	-	**33.3**
Financial liabilities:							
Amounts owed to fellow subsidiaries	**16.8**	-		-	-	-	**16.8**
Accruals	-	**1.5**	-	-	-	-	**1.5**
Cash held on behalf of clients	-	**4.4**	-	-	-	-	**4.4**
Other financial liabilities	-	**1.5**	-	-	-	-	**1.5**
Total financial liabilities	**16.8**	**7.4**	-	-	-	-	**24.2**

Group At 31 March 2021	On demand £m	Within three months £m	After three months but within six months £m	After six months but within one year £m	After one year but within five years £m	After five years £m	Total £m
Financial assets:							
Cash at bank and in hand	445.3	-	-	-	-	-	445.3
Other financial assets	-	0.1	-	-	-	-	0.1
Total financial assets	445.3	0.1					445.4
Financial liabilities:							
Amounts owed to fellow subsidiaries	-	0.5	-	-	-	-	0.5
Accruals	-	4.8	-	-	-	-	4.8
Cash held on behalf of clients	-	3.0	-	-	-	-	3.0
Other financial liabilities	-	1.3	-	-	-	-	1.3
Total financial liabilities	-	9.6	-	-	-	-	9.6

26. Financial risk management (continued)

(b) Liquidity risk (continued)

Company **At 31 March 2022**	**On demand £m**	**Within three months £m**	**After three months but within six months £m**	**After six months but within one year £m**	**After one year but within five years £m**	**After five years £m**	**Total £m**
Financial assets:							
Cash at bank and in hand	28.7	-	-	-	-	-	28.7
Amounts owed by parent undertaking	4.6	-	-	-	-	-	4.6
Total financial assets	**33.3**	-	-	-	-	-	**33.3**
Financial liabilities:							
Amounts owed to subsidiary undertakings	0.2	-	-	-	-	-	0.2
Amounts owed to fellow subsidiaries	16.8	-	-	-	-	-	16.8
Accruals	-	1.5	-	-	-	-	1.5
Cash held on behalf of clients	-	4.4	-	-	-	-	4.4
Other financial liabilities	-	1.5	-	-	-	-	1.5
Total financial liabilities	**17.0**	**7.4**	-	-	-	-	**24.4**

Company At 31 March 2021	On demand £m	Within three months £m	After three months but within six months £m	After six months but within one year £m	After one year but within five years £m	After five years £m	Total £m
Financial assets:							
Cash at bank and in hand	445.3	-	-	-	-	-	445.3
Other financial assets	-	0.1	-	-	-	-	0.1
Total financial assets	445.3	0.1	-	-	-	-	445.4
Financial liabilities:							
Amounts owed to subsidiary undertakings	-	0.2	-	-	-	-	0.2
Amounts owed to fellow subsidiaries	-	0.5	-	-	-	-	0.5
Accruals	-	4.8	-	-	-	-	4.8
Cash held on behalf of clients	-	3.0	-	-	-	-	3.0
Other financial liabilities	-	1.3	-	-	-	-	1.3
Total financial liabilities	-	9.8	-	-	-	-	9.8

Other assets and liabilities are included in the above table according to the earliest date that payment can be contractually demanded. None of the Group's or Company's financial liabilities is interest-bearing or discounted and hence the Group's and Company's contractual undiscounted cash outflows at 31 March 2022 and 31 March 2021 are identical to the maturities shown in the above tables.

Assets and liabilities with a remaining period to contractual maturity of within one year are classed as current and those with a remaining period of more than one year are classed as non-current. Non-financial assets and liabilities of the Group amount to £1.2m and £3.0m respectively (31 March 2021: £2.5m and £17.3m) of which £0.1m and £nil respectively are classed as current (31 March 2021: £2.5m and £nil) and £1.1 and £3.0m respectively are classed as non-current (31 March 2021: £nil and £17.3m).

(c) Market risk

At 31 March 2022 and 31 March 2021 the Group and Company had no exposure to foreign exchange rate fluctuations or changes in foreign currency interest rates. Following the sale of the Group's loans to customers the Group has no significant exposure to other market risk.

27. Contingent liabilities

(a) As detailed in note 10, in February 2021 the Group recognised the sale of the beneficial interest in all of its loans to customers other than £0.1m of unsecured loans. As legal title to the loans is still held by the Group, the Group continues to be responsible for ensuring the fair treatment of these customers and in respect of these loans the Group continues to carry provisions for customer remediation (see note 19) irrespective of whether the Group or its shareholder may be able to recover associated costs from third parties. The Group provided certain warranties and indemnities in respect of this sale. The sale *agreements set various time limits for the purchaser to bring claims under the warranties and indemnities. For most warranties* the time limit to bring claims varies from 1 to 5 years from 29 October 2021 and the time limits to bring claims under the indemnities are up to 20 years. It is not possible to provide any meaningful estimate or range of the possible cost over and above the remediation provision currently carried and no such provision has been made.

(b) The Company provided certain warranties and indemnities in respect of the sale in 2015/16 of certain loans and the shares in NRAM plc. The sale agreements set various time limits for bringing claims under the warranties. For most of the warranties this time limit was on or before 5 May 2019, and hence no contingent liability remains, while for certain tax-related warranties the time limit is 5 May 2023. It is not possible to provide any meaningful estimate or range of the possible cost. No provision has been made.

(c) In March 2019 the Company sold two separate asset portfolios comprising performing residential and unsecured loans. The Company provided certain warranties and indemnities in respect of this sale. The sale agreements set various time limits for the purchaser to bring claims under the warranties with the latest expiring in April 2024. It is not possible to provide any meaningful estimate or range of the possible cost. No provision has been made.

(d) The Group's previous lending and other consumer credit business is governed by consumer credit law, the FCA's Mortgage Conduct of Business ('MCOB') rules and other laws and regulations. The Group's contractual relationships with its customers were also determined by the specific product terms and conditions which applied when products were sold. Claims upheld in favour of former customers in relation to potential breaches of contractual terms or other requirements could result in costs to the Group. Although the Group has no loans to customers on its Balance Sheet at 31 March 2022, claims could arise in respect of loans which have redeemed or been sold and in respect of loans for which the Group still holds legal title. It is not possible to provide any meaningful estimate or range of the possible cost.

(e) The Company has a potential exposure in respect of redress where customers have a valid claim but the Company has been unable to obtain the necessary information from customers to make payment. The majority of this exposure is not provided for as it is not considered probable that payment will be made. At 31 March 2022 the potential maximum exposure to the Company is estimated to be £13.2m. No disclosure has previously been made of this contingent liability as it was not previously considered material.

(f) In addition to the asset sales referred to in paragraphs (a), (b) and (c) above, certain warranties and indemnities remain in place in respect of other prior year asset sales. The relevant sale agreements set various time limits for the purchaser to bring claims under those warranties and indemnities with the latest expiring in April 2032. It is not possible to provide any meaningful estimate or range of the possible cost.

(g) The Company has confirmed its intentions to continue to support its subsidiary NRAM Homes Limited until at least 1 January 2024 in order that NRAM Homes Limited is able to meet its liabilities as they fall due. In addition the Company has confirmed its intentions to honour all intragroup balances in this same timeframe. It is not possible to provide any meaningful estimate or range of the possible cost. No provision has been made.

28. Ultimate controlling party

Until 29 October 2021 the Company was a wholly owned subsidiary of UKAR, a private limited company incorporated and domiciled in the United Kingdom, which is wholly owned by the Treasury Solicitor as nominee for HM Treasury. On 29 October 2021 the Company was sold to JJB.

The Company is 100% owned by its immediate parent JJB. JJB's immediate parent is JJH. JJB and JJH are private companies limited by shares registered in Jersey with their registered office at 3rd Floor, 37 Esplanade, St Helier, Jersey JE1 1AD. The Directors consider JJH to be the Company's ultimate parent and controlling party. The Company's Financial Statements are not consolidated into the group financial statements of any entity.

JJH is owned by certain investment funds managed and advised by Davidson Kempner Capital Management LP (Delaware).

29. Events after the reporting period

The Directors are of the opinion that there have been no significant events which have occurred since 31 March 2022 to the date of this Report that are likely to have a material effect on the Group's financial position as disclosed in these Financial Statements.

NRAM Limited
Registered Office: The Waterfront, Salts Mill Road, Shipley BD17 7EZ
Registered in England and Wales under company number 09655526

www.nram.co.uk