

Registered number in England and Wales: 2955740

BD & B INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020

TUESDAY



AA778WOI

A09

22/06/2021

#151

COMPANIES HOUSE

BD & B INVESTMENTS LIMITED

CONTENTS

	Page
Directors' Report	2 - 3
Independent Auditor's Report to the members of BD & B Investments Limited	4 - 5
Income Statement	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 19

BD & B INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

The Directors present their annual report together with the audited financial statements of BD & B Investments Limited (the 'Company') for the year ended 30 November 2020.

Profits and dividends

During the year the Company made a profit after tax of £68,529 (2019: Nil). The Directors do not recommend the payment of a final dividend (2019: Nil).

Post balance sheet events

In the March 2021 UK Budget, it was announced that the UK rate of corporation tax will increase from 19% to 25% effective 1 April 2023. The change was not substantively enacted or enacted at the balance sheet date and this is not expected to have an impact on the Company as the Company does not have any deferred tax balances.

Directors

The Directors of the Company, who served during the year and up to the date of signing the financial statements, are as shown below:

J M Walthoe
C P Le Neve Foster
V Shah
E J Sherwood

Since the year end, C Le Neve Foster resigned as Director of the Company on 28th April 2021 and David Blagbrough and Kate Pearson were appointed as Directors of the Company on 28th April 2021.

Going concern

After reviewing the Company's financial position, including the implications from the COVID-19 outbreak and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the results of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable,

BD & B INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

- matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Financial risk management

The Company's activities are exposed to a variety of financial risks. The Company is required to follow the requirements of the Group risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them. The main financial risks that the Company is exposed to are outlined in Note 12.

Directors third party indemnity provisions

Qualifying third party indemnity provisions were in force (as defined by section 234 of the Companies Act 2006) during the course of the financial year ended 30 November 2020 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities, including qualifying third party indemnity provisions and qualifying indemnity provisions which may occur (or have occurred) in connection with their duties, powers or office.

Independent auditor

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

Statement of disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's Auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Strategic report exemption

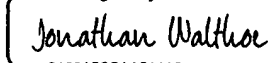
This report has been prepared in accordance with the special provisions applicable to small companies set out in section 415A of the Companies Act 2006. The Company has also taken advantage of the small companies exemption from the requirement to prepare a strategic report.

This report was approved by the board on

14/6/2021

and signed on its behalf.

DocuSigned by:


91684C0CAAS1443
Jonathan Walther

Director

Date: 14/6/2021

Company number: 2955740

1 Churchill Place, London, E14 5HP

BD & B INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BD & B INVESTMENTS LIMITED

We have audited the financial statements of BD & B Investments Limited ("the Company") for the year ended 30 November 2020 which comprises the Income Statement, Statement of Financial Position, the Cash flow Statement, the Statement of Changes in Equity, and related notes, including the summary of significant accounting policies in note 5.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and the terms of our engagement letter dated 8 November 2017. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the company's business model, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Directors' report

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

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

BD & B INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BD & B INVESTMENTS LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on pages 2 to 3, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Snook (Senior statutory auditor)
for and on behalf of **KPMG LLP, Statutory Auditor**
Chartered Accountants

15 Canada Square
E14 5GL

Date:

BD & B INVESTMENTS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2020**

		2020	2019
		£	£
Gain on sale of subsidiary	9	68,529	-
Profit before tax		68,529	-
Tax expense	8	-	-
Profit for the year		68,529	-

There are no other comprehensive income for the year. All recognised income and expenses have been reported in the income statement, hence no statement of comprehensive income has been included in the financial statements.

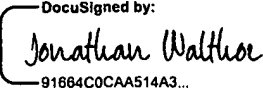
The accompanying notes in 10 to 19 form an integral part of the financial statements.

BD & B INVESTMENTS LIMITED
REGISTERED NUMBER: 2955740

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2020

	Note	2020 £	2019 £
Assets			
Non-current assets			
Investment in subsidiaries	9	-	100,000
Total non-current assets		-	100,000
Current assets			
Cash and cash equivalents		168,905	10,376
Total current assets		168,905	10,376
Total assets		168,905	110,376
Liabilities			
Current liabilities			
Current tax liabilities	10	761	10,761
Total current liabilities		761	10,761
Total liabilities		761	10,761
Net assets		168,144	99,615
Issued capital and reserves			
Share capital	11	1	1
Retained earnings		168,143	99,614
TOTAL EQUITY		168,144	99,615

The accompanying notes on pages 10 to 19 form an integral part of the financial statements. The financial statements were approved and authorised for issue by the board of Directors on 14/6/2021 and were signed on its behalf by:

DocuSigned by:

 91684C0CAA514A3...
 Jonathan Walthoe

Director 14/6/2021
 Date:
 Company number: 2955740
 1 Churchill Place, London, E14 5HP

BD & B INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Share capital £	Retained earnings £	Total equity £
At 1 December 2019	1	99,614	99,615
Profit for the year	-	68,529	68,529
Total comprehensive income for the year	-	68,529	68,529
At 30 November 2020	1	168,143	168,144

	Share capital £	Retained earnings £	Total equity £
At 1 December 2018	1	99,614	99,615
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
At 30 November 2019	1	99,614	99,615

The accompanying notes on pages 10 to 19 form an integral part of the financial statements.

BD & B INVESTMENTS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Profit for the year	68,529	-
Gain on sale of subsidiary	(68,529)	-
Group relief paid	(10,000)	-
Net cash used in operating activities	<u>(10,000)</u>	<u>-</u>
Cash flows from investing activities		
Net cash inflow on disposal of subsidiaries	168,529	-
Net cash from investing activities	<u>168,529</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>158,529</u>	<u>-</u>
Cash and cash equivalents at the beginning of year	10,376	10,376
Cash and cash equivalents at the end of the year	<u><u>168,905</u></u>	<u><u>10,376</u></u>

The accompanying notes on 10 to 19 form an integral part of the financial statements.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

1. Reporting entity

These financial statements are prepared for BD & B Investments Limited (the Company), the principal activity of which is to act as an investment holding company. The financial statements are separate financial statements prepared for the Company only, in line with the UK Companies Act 2006. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays Bank PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements is Barclays PLC, both of which prepare consolidated financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The Company is a private limited company domiciled and incorporated in England and Wales. The Company's registered office is:

1 Churchill Place
London
E14 5HP

2. Compliance with International accounting standards

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The principal accounting policies applied in the preparation of the financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied.

3. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IFRS 9, 'Financial Instruments, recognition, and measurement' for hedges and IFRS 9 'Financial Instruments as set out in the relevant accounting policies. They are presented in Pound Sterling (GBP), the currency of the country in which the Company is incorporated.

After reviewing the Company's financial position, including the implications from the COVID-19 outbreak and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statement.

4. New and amended standards

The accounting policies adopted are consistent with those of the previous financial year. There are no new amended standards that have had a material impact on the Company's accounting policies.

Future accounting developments

The Company does not expect any significant changes to its financial reporting after 2020 as a result of amended or new accounting standards that have been or will be issued by the IASB.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

5. Summary of significant accounting policies

5.1 Interest

Interest income on loans and advances at amortised cost are calculated using the effective interest method which allocates interest, and direct and incremental fees and costs, over the expected lives of the assets and liabilities.

The effective interest method requires the Company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the assets and liabilities.

5.2 Current and deferred income tax

Income tax payable on taxable profits ('current tax'), is recognised as an expense in the period in which the profits arise. Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current year or prior year taxable profits.

Deferred income tax is provided in full, using the liability method, on temporary differences arising from the differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised on deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is regarded as probable that sufficient taxable profits will be available against which the deductible temporary difference, unused tax losses and unused tax credits can be utilised.

Deferred and current tax assets and liabilities are only offset where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously with the same tax authority.

5.3 Financial assets and liabilities

The Company applies IFRS 9 Financial Instruments to the recognition, classification and measurement, and derecognition of financial assets and financial liabilities and the impairment of financial assets.

Recognition

The Company recognises financial assets and liabilities when it becomes a party to the terms of the contract. Trade date or settlement date accounting is applied depending on the classification of the financial asset.

Classification and measurement

Financial assets are classified on the basis of two criteria:

- i) the business model within which financial assets are managed; and
- ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

The Company assesses the business model criteria at a portfolio level. Information that is considered in determining the applicable business model includes (i) policies and objectives for the relevant portfolio, (ii) how the performance and risks of the portfolio are managed, evaluated and reported to management, and (iii) the frequency, volume and timing of sales in prior periods, sales expectation for future periods, and the reasons for such sales.

The contractual cash flow characteristics of financial assets are assessed with reference to whether the cash flows represent SPPI. In assessing whether contractual cash flows are SPPI compliant, interest is defined as consideration primarily for the time value of money and the credit risk of the principal outstanding. The time value of money is defined as the element of interest that provides consideration only for the passage of time and not consideration for other risks or costs associated with holding the financial asset. Terms that could change the contractual cash flows so that it would not meet the condition for SPPI are considered, including: (i) contingent and leverage features, (ii) non-recourse arrangements and (iii) features that could modify the time value of money.

Financial assets will be measured at amortised cost

Financial assets will be measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent solely payments of principal and interest.

Financial assets will be measured at fair value through other comprehensive income

Financial assets will be measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and their contractual cash flows represent solely payments of principal and interest.

Financial instruments at fair value through profit or loss

Other financial assets are measured at fair value through profit and loss. There is an option to make an irrevocable election for non traded equity investments to be measured at fair value through other comprehensive income, in which case dividends are recognised in profit or loss, but gains or losses are not reclassified to profit or loss upon derecognition, and impairment is not recognised in the income statement.

5.4 Cash and cash equivalents

For the purposes of the cash flow statement, cash comprises cash on hand, demand deposits, and cash equivalents. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. Trading balances are not considered to be part of cash equivalents.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

5.5 Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholder.

5.6 Critical accounting estimates

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements are highlighted under the relevant note.

5.7 Investment in subsidiaries

Investments in subsidiaries are stated at cost less impairment, if any.

5.8 Share capital

Share capital classified as equity, provided that there is no present obligation to deliver cash or another financial asset to the holder, is shown in called up share capital, and the costs associated with the issuance of shares are recorded as a deduction from equity.

6. Profit/(Loss) before tax

The audit fee is borne by Barclays Bank PLC. Although the audit fee is borne by Barclays Bank PLC, the fee that would have been charged to the Company amounts to £8,400 (2019: £8,400) for the year. This fee is not recognised as an expense in the financial statements.

7. Employees and key management, including Directors

(i) Staff costs

There were no employees employed by the Company during 2020 or 2019.

(ii) Remuneration of key management personnel, including Directors

The Directors did not receive any emoluments in respect of their services to the Company during the year (2019: nil). During the year, no Director exercised options under the Barclays PLC Sharesave Scheme and Long Term Incentive schemes (2019: Nil).

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

8. Tax expense**8.1 Income tax recognised in profit or loss**

	2020 £	2019 £
Profit for the year	68,529	-
Income tax expense	-	-
Profit before income taxes	68,529	-
Tax at UK Corporation tax rate of 19% (2019:19%)	13,021	-
Non-taxable income	(13,021)	-
Total tax expense	-	-

The non-taxable income relates to the accounting gain on the sale of the Company's investment in Barafor Limited to Barclays Bank Plc (refer note 9).

Changes in tax rates and factors affecting the future tax charges

On 22 July 2020 the Finance Act 2020 received Royal Assent, enacting the UK corporation tax rate would remain at 19% from 1 April 2020 onwards instead of reducing to 17%, the previously enacted rate. This rate has therefore been used to calculate current taxes for the year ended 31 December 2020.

9. Investment in subsidiary

	2020 £	2019 £
Opening balance	100,000	100,000
Disposals	(100,000)	-
Closing balance	-	100,000

During the year, the investment in Barafor Limited was sold to BBPLC at £168,529 resulting in the gain of £68,529.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

10. Current tax liabilities

	2020 £	2019 £
Group relief payable	761	10,761
	<u>761</u>	<u>10,761</u>

The above current tax liability is settled through intercompany group relief and is not payable to HMRC.

11. Share capital**Authorised**

	2020 Number	2020 £	2019 Number	2019 £
Shares treated as equity				
Ordinary shares shares of £1.0000 each	500,000,000	500,000,000	500,000,000	500,000,000
Redeemable preference shares shares of £1.0000 each	200,000,000	200,000,000	200,000,000	200,000,000
Class A preference shares shares of £0.0084 each	4,966,000	41,714	4,966,000	41,714
Class B preference shares shares of £0.0070 each	4,554,800	31,884	4,554,800	31,884
	<u>709,520,800</u>	<u>700,073,598</u>	<u>709,520,800</u>	<u>700,073,598</u>

Issued and fully paid

	2020 Number	2020 £	2019 Number	2019 £
Ordinary shares shares of £1.0000 each				
At 1 December and 30 November	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

12. Financial risks

The Company's activities expose it to a variety of financial risks. These are credit risk, liquidity risk and market risk, (which includes foreign currency risk, interest rate risk and price risk). Consequently, the Company devotes considerable resources to maintaining effective controls to manage, measure and mitigate each of these risks, and regularly reviews its risk management procedures and systems to ensure that they continue to meet the needs of the business. The Board of Directors monitors the Company's financial risks and has responsibility for ensuring effective risk management and control.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

a) Credit risk

Credit risk is the risk that the Company's customers or counterparties will not be able or willing to pay interest, repay capital or otherwise to fulfil their contractual obligations in relation to the Company's financial assets. The Company assesses all counterparties on a portfolio basis to ensure the credit risk is maintained within Barclays Group risk management policy guidelines. The Company monitors its exposures and seeks to minimize its credit exposures by monitoring the credit rating of its counterparties in accordance with Barclays Group risk management policies. The Company's assets are neither past due or impaired.

Maximum exposure to credit risk

The Company's maximum exposure to credit risk is detailed in the table below. The exposure reported in the table represents the gross receivable amounts and not the fair value. The exposure is reported gross and does not include any collateral or other credit risk mitigants which reduce the Company's exposure.

	2020	2019
	£	£
Cash and cash equivalents	168,905	10,376
	<u>168,905</u>	<u>10,376</u>

The Company does not hold any collateral as security. The table below describes the Company's credit exposure by industry type:

	2020	2019
	£	£
Financial institutions	168,905	10,376
	<u>168,905</u>	<u>10,376</u>
Total	<u><u>168,905</u></u>	<u><u>10,376</u></u>

b) Liquidity risk

This is the risk that the Company's cash and committed facilities may be insufficient to meet its debts as they fall due. The Company maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operations. The Company has no outstanding financial liabilities. The monitoring and reporting of liquidity risk take the form of cash flow measurements and projections for the next day, week and month as these are key periods for liquidity management. Sources of liquidity are regularly reviewed.

c) Market risk

Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, equity prices and foreign exchange rates. The Company is not exposed to any market risk.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

d) Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities.

Interest rate sensitivity analysis

The sensitivity of the income statement is the effect of assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 30 November 2020. The Company has no net non-trading floating rate financial assets or liabilities.

13. Fair value of financial instruments

The fair value of an asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company's financial instruments comprises of cash and cash equivalents amounting to £168,905 (2019: £10,376) which were included in Level 1 fair value hierarchy as at 30 November 2020 and 30 November 2019.

Valuation methodology

A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below.

Quoted market prices - Level 1

Assets and liabilities are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable inputs- Level 2

Assets and liabilities classified as Level 2 have been valued using models whose inputs are observable in an active market. Valuations based on observable inputs include assets and liabilities such as swaps and forwards which are valued using market standard pricing techniques, and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable.

Valuation technique using significant unobservable inputs - Level 3

Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

14. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both.

The definition of related parties includes parent company, ultimate parent company, subsidiary, associated and joint venture companies, as well as the Company's key management which includes its Directors.

Kirsche Investments Limited is the immediate parent undertaking and controlling party. Cash balances are held within the Barclays group. During the year there have been no other transactions with related parties other than transactions disclosed in note 9, 10 & 11 to the financial statements.

15. Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern; and
- To maintain an optimal capital structure in order to reduce the cost of capital.

The Board of Directors is responsible for capital management and ensures that the Company operates within the Barclays Group risk framework.

The Company regards as capital its equity, reported on the balance sheet.

The total capital of the Company is as follows:

	2020	2019
	£	£
Share capital	1	1
Retained earnings	168,143	99,614
	<hr/>	<hr/>
Total capital resources	<hr/> 168,144 <hr/>	<hr/> 99,615 <hr/>

16. Parent undertaking and ultimate holding company

The immediate parent of the Company is Kirsche Investments Limited. The parent undertaking of the smallest group that presents group financial statements is Barclays Bank PLC. The ultimate parent company and controlling party is Barclays PLC, which is the parent company of the largest group that presents group financial statements. Barclays Bank PLC's and Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.

BD & B INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

17. Events after the reporting date

In the March 2021 UK Budget, it was announced that the UK rate of corporation tax will increase from 19% to 25% effective 1 April 2023. The change was not substantively enacted or enacted at the balance sheet date and this is not expected to have an impact on the Company as the Company does not have any deferred tax balances.