

Company Registration No. 11001491 (England and Wales)

Banking Competition Remedies Limited

**Annual report and financial statements
for the year ended 30 April 2021**

Banking Competition Remedies Limited

Company information

Directors	Richard Anderson (non-executive director - Chair) Brendan Peilow Aidene Walsh John Howard (non-executive director)
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Company number	11001491
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Registered office	84 Eccleston Square London SW1V 1PX
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Independent auditor	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
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Banking Competition Remedies Limited

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Banking Competition Remedies Limited

Directors' report

For the year ended 30 April 2021

The directors present their annual report and financial statements for the year ended 30 April 2021.

Principal activities

The company was incorporated on 6 October 2017 with its principal activity of ensuring the implementation of the Alternative Remedies Package ("ARP") of measures agreed between the UK Government and the European Commission. The company is not set up to make profit but instead receives funding to cover the costs incurred in fulfilling its purpose. The lifetime of the company is limited solely to the period of implementing the ARP (and Winding Up must commence no later than 25th April 2023).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Richard Anderson (non-executive director - Chair)

Godfrey Cromwell

(Resigned 30 September 2020)

Brendan Peilow

Aidene Walsh

John Howard (non-executive director)

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Brendan Peilow

Director

8 September 2021

Banking Competition Remedies Limited

Directors' responsibilities statement

For the year ended 30 April 2021

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Banking Competition Remedies Limited

Independent auditor's report

To the members of Banking Competition Remedies Limited

Opinion

We have audited the financial statements of Banking Competition Remedies Limited (the 'company') for the year ended 30 April 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Banking Competition Remedies Limited

Independent auditor's report (continued)

To the members of Banking Competition Remedies Limited

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Banking Competition Remedies Limited

Independent auditor's report (continued)

To the members of Banking Competition Remedies Limited

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Banking Competition Remedies Limited

Independent auditor's report (continued)

To the members of Banking Competition Remedies Limited

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

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

Neil Davies (Senior Statutory Auditor)

For and on behalf of Saffery Champness LLP

13 September 2021

Chartered Accountants

Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Banking Competition Remedies Limited**Statement of comprehensive income
For the year ended 30 April 2021**

		2021	2020
		£'000	£'000
Income		3,477	2,521
Administrative expenses		(3,483)	(2,536)
		<u> </u>	<u> </u>
Operating deficit	2	(6)	(15)
Interest receivable and similar income		8	19
		<u> </u>	<u> </u>
Surplus before taxation		2	4
Tax expense		(2)	(4)
		<u> </u>	<u> </u>
Surplus for the financial year		<u> </u>	<u> </u>

Banking Competition Remedies Limited

Statement of financial position

As at 30 April 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	5		2		13
Current assets					
Debtors	6	-		42	
Cash at bank and in hand		4,520		5,361	
		<u>4,520</u>		<u>5,403</u>	
Creditors: amounts falling due within one year	7	<u>(4,522)</u>		<u>(5,416)</u>	
Net current liabilities			(2)		(13)
Total assets less current liabilities			<u>-</u>		<u>-</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 7 September 2021 and are signed on its behalf by:

Brendan Peilow
Director

Company Registration No. 11001491

Banking Competition Remedies Limited

**Statement of changes in equity
For the year ended 30 April 2021**

	Income and expenditure £'000
Balance at 1 May 2019	-
Year ended 30 April 2020:	
Profit and total comprehensive income for the year	-
	<hr/>
Balance at 30 April 2020	-
Year ended 30 April 2021:	
Profit and total comprehensive income for the year	-
	<hr/>
Balance at 30 April 2021	-
	<hr/> <hr/>

Banking Competition Remedies Limited

Notes to the financial statements For the year ended 30 April 2021

1 Accounting policies

Company information

Banking Competition Remedies Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 84 Eccleston Square, London, SW1V 1PX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

Income represents cash received to cover the costs incurred in fulfilling its principal activity and is recognised in the year in which the costs occur.

Interest earned on any cash balances is recognised as income in the period to which it relates.

Expenses include VAT where applicable as the company is not VAT registered and therefore cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1 Accounting policies (continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.7 Taxation

The company is exempt from claiming trading losses on the basis that it is a company not carrying on a business for the purposes of making a profit. Tax is payable on any interest income received.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Banking Competition Remedies Limited**Notes to the financial statements (continued)****For the year ended 30 April 2021****1 Accounting policies (continued)****1.11 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Operating deficit

	2021	2020
	£'000	£'000
Operating deficit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	9	9
Depreciation of owned tangible fixed assets	11	12
Operating lease charges	255	244
Non-audit fees	2	2
	==	==

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Total	9	10
	==	==

Their aggregate remuneration comprised:

	2021	2020
	£'000	£'000
Wages and salaries	659	758
Social security costs	77	88
Pension costs	8	9
	==	==
	744	855
	==	==

Banking Competition Remedies Limited

Notes to the financial statements (continued)

For the year ended 30 April 2021

4 Directors' remuneration

	2021	2020
	£'000	£'000
Remuneration paid to directors	375	386
	<u> </u>	<u> </u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021	2020
	£'000	£'000
Remuneration for qualifying services	112	132
	<u> </u>	<u> </u>

5 Tangible fixed assets

	Computers, Fixtures and fittings £'000
Cost	
At 1 May 2020 and 30 April 2021	35
	<u> </u>
Depreciation and impairment	
At 1 May 2020	22
Depreciation charged in the year	11
	<u> </u>
At 30 April 2021	33
	<u> </u>
Carrying amount	
At 30 April 2021	2
	<u> </u>
At 30 April 2020	13
	<u> </u>

6 Debtors

	2021	2020
	£'000	£'000
Amounts falling due within one year:		
Other debtors	-	42
	<u> </u>	<u> </u>

Banking Competition Remedies Limited**Notes to the financial statements (continued)****For the year ended 30 April 2021****7 Creditors: amounts falling due within one year**

		2021	2020
		£'000	£'000
Trade creditors		13	113
Corporation tax		2	4
Other taxation and social security		19	25
Deferred income	8	4,430	5,224
Accruals		58	50
		<u>4,522</u>	<u>5,416</u>

8 Deferred income

	2021	2020
	£'000	£'000
Payments received in advance	4,430	5,224
	<u>4,430</u>	<u>5,224</u>

9 Retirement benefit schemes

	2021	2020
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	8	9
	<u>8</u>	<u>9</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

10 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

Banking Competition Remedies Limited

Notes to the financial statements (continued)

For the year ended 30 April 2021

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£'000	£'000
247	247
<u>247</u>	<u>247</u>

12 Related party transactions

During the year, the company settled inheritance tax with HMRC on behalf of The Alternative Remedies Package Trust, for whom the company acts as Trustee. An amount of £976,261 (2020: £nil) was recognised as part of the expenses during the year. There were £nil amounts outstanding (2020: £nil) at the reporting date.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.